

To enrich lives through effective and caring service



Santos H. Kreimann

Director

Kerry Silverstrom Chief Deputy

June 4, 2009

TO:

Small Craft Harbor Commission

FROM:

Santos H. Kreimann, Director

SUBJECT:

SMALL CRAFT HARBOR COMMISSION AGENDA FOR

JUNE 10, 2009

Enclosed is the June 10, 2009 meeting agenda, together with the minutes from your meeting of May 13, 2009. Also enclosed are reports related to Agenda Items 3a, 3b, 4a, 4b, 5a, and 6a.

Please feel free to call me at (310) 305-9522 if you have any questions or need additional information in advance of the meeting.

SHK:pw **Enclosures**



To enrich lives through effective and caring service

SMALL CRAFT HARBOR COMMISSION AGENDA JUNE 10, 2009 9:30 A.M.



Santos H. Kreimann Director

Kerry Silverstrom
Chief Deputy

BURTON W. CHACE PARK COMMUNITY ROOM 13650 MINDANAO WAY MARINA DEL REY, CA 90292

- 1. Call to Order and Pledge of Allegiance
- 2. Approval of Minutes: Meeting of May 13, 2009

3. **REGULAR REPORTS**

a. Marina Sheriff

(DISCUSS REPORTS)

- Crime Statistics
- Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance with Liveaboard Permit Percentages
- b. Marina del Rey and Beach Special Events

(DISCUSS REPORT)

4. OLD BUSINESS

a. Follow-up Re Marina del Rey Slip Sizing Study and Marina del Rey Slip Pricing and Vacancy Study

(ENDORSE STUDIES
FINDINGS FOR INCLUSION
IN DEPARTMENT'S
RESPONSE TO REGIONAL
PLANNING DEPARTMENT
WITH RESPECT TO THE
CALIFORNIA COASTAL
COMMISSION MARINA LCP
PERIODIC REVIEW)

b. Dock Reconfiguration Plan for Chace Park Peninsula

(DISCUSS REPORTS)

5. <u>NEW BUSINESS</u>

Parcel 1 – Fuel Dock – Approval of Amendment
 No. 1 to Lease No. 75629

(DISCUSS REPORTS)

6. STAFF REPORTS

(DISCUSS REPORT)

a. Ongoing Activities

- Board Actions on Items Relating to Marina del Rey

- Regional Planning Commission's Calendar
- Venice Pumping Plant Dual Force Main Project Update
- Oxford Basin Project Update
- Redevelopment Project Status Report
- Unlawful Detainer Actions
- Design Control Board Minutes
- Slip Rent Adjustment for Parcel 47

7. COMMUNICATION FROM THE PUBLIC

8. ADJOURNMENT

PLEASE NOTE

- The Los Angeles County Board of Supervisors adopted Chapter 2.160 of the Los Angeles Code (Ord. 93-0031 ~ 2 (part), 1993, relating to lobbyists. Any person who seeks support or endorsement from the Small Craft Harbor Commission on any official action must certify that he/she is familiar with the requirements of this ordinance. A copy of the ordinance can be provided prior to the meeting and certification is to be made before or at the meeting.
- The agenda will be posted on the internet and displayed at the following locations at least 72 Hours preceding the meeting date:

Department of Beaches and Harbors Website Address: http://marinadelrey.lacounty.gov

Department of Beaches and Harbors Administration Building 13837 Fiji Way Marina del Rey, CA 90292 MdR Visitors & Information Center 4701 Admiralty Way Marina del Rey, CA 90292

Burton Chace Park Community Room 13650 Mindanao Way Marina del Rey, CA 90292

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Lloyd Taber-Marina del Rey Library 4533 Admiralty Way Marina del Rey, CA 90292

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3. The entire agenda package and any meeting related writings or documents provided to a Majority of the Commissioners (Board members) after distribution of the agenda package, unless exempt from disclosure Pursuant to California Law, are available at the Department of Beaches and Harbors and at http://marinadelrev.lacountv.gov

Si necesita asistencia para interpreter esta informacion llame al (310) 305-9586.

ADA ACCOMODATIONS: If you require reasonable accommodations or auxiliary aids and services such as material in alternate format or a sign language interpreter, please contact the ADA (Americans with Disabilities Act) Coordinator at (310) 305-9590 (Voice) or (310) 821-1734 (TDD).

SMALL CRAFT HARBOR COMMISSION MINUTES MAY 13, 2009

Commissioners: Russ Lesser, Chairman; Vanessa Delgado, Vice-Chairman; Albert Landini, Ed.D.; Dennis Alfieri, Commissioner; Albert DeBlanc (unexcused absence)

Department of Beaches and Harbors: Santos Kreimann, Director; Gary Brockman, Asset Development; Dusty Crane, Community and Marketing Service Division Chief;

County: Thomas Faughnan, Principal Deputy County Counsel; Michael Tripp, Principal Planner Special Projects; Sergeant Escamillas and Deputy Rochford, Sheriff's Department

Guest: Beverly Moore, Executive Director, Marina del Rey Convention and Visitors Bureau

Call to Order and Pledge of Allegiance:

Chairman Lesser called the meeting to order at 9:37 a.m., followed by the pledge of allegiance.

Approval of Minutes:

Jon Nahhas commented on the April 8, 2009 minutes. Chairman Lesser asked for a motion to approve the minutes. Commissioner Landini moved and Commissioner Alfieri seconded. The motion was unanimously approved.

Item 3 - Regular Reports:

Sergeant Escamillas discussed the Crime Report and the Year to Date Crime Statistics. Deputy Rochford discussed the Liveaboard Report.

Chairman Lesser asked that the Year to Date Crime Statistics be presented on a quarterly basis.

Dusty Crane reported on the Special Events. She discussed the Marina del Rey Outdoors Adventures, Fisherman's Village Weekend Concerts and Beach Events. She said Movie Night will start in the summer at Chace Park, further information will be provided.

Jon Nahhas commented that he does not want to see black and white movies. He said he would like soul music played at the events to bring out younger people and to light up the pier.

Beverly Moore said tourism continues to be affected by the changes in the economic conditions nationally and internationally, but Marina del Rey has not been affected. She said two initiatives have been launched this spring to counteract and promote more travel to the community which will consist of special promotions, incentives and rewards and also online consumer advertising.

Carla Andrus said she would like to reach out to the region for small boating opportunities to energize the Marina.

Santos Kreimann commented that he meets on a regular basis with Beverly Moore to make sure the marina is more active.

Beverly Moore said the most important activity in the Marina is the Recreational Boating Activity and information is available seven days a week through the Visitors Bureau.

Item 4a - Follow-up RE Marina del Rey Slip Sizing Study and Marina del Rey Slip Pricing and Vacancy Study

Santos Kreimann gave an updated overview of the study and welcomed comments from the commissioners and the public. He said staff was not able to respond to all written comments and suggested that this item be held over until next months meeting.

Chairman Lesser stated that no action will be taken on this item and held over to the next meeting.

Carla Andrus commented on the availability of boat slips and slip vacancies.

Jon Nahhas said the Coastal Act needs to be reviewed and asked why the small boat slips are not filled and that this should be investigated.

Santos Kreimann said the study was prepared for the entire boating community and that the consultants surveyed the various marinas.

John Rizzo said the model of financing is not effective and has a package that he will submit to the board.

Andy Bessette commented on the advertising for comments from the public made by email and the Argonaut. He suggested that a new approach for public comments be taken.

Item 5a - Dock Reconfiguration Plan For Chace Park Peninsula

Chairman Lesser stated that no action will be taken on this item and held over until next months meeting.

Santos Kreimann gave an overview of the report.

Gary Brockman gave an overview of the design and dock reconfiguration plan.

Jon Nahhas said to reconfigure the docks will require an LCP Amendment, it will not create affordable recreation and will provide more opportunity for wealthy boaters. He said this is against the Coastal Act and provides a hardship against recreational and public access.

Santos Kreimann said it will not require an LCP Amendment, but a Coastal Development Permit will be required.

Michael Tripp said the Department of Regional Planning does not have the jurisdiction with the Local Coastal Program to issue Coastal Development Permits over the water it's done by the Coastal Commission.

Andy Bessette said there is no reason for more reduction of boat slips in the marina, this is greed and corruption. He said that Santa Monica Windjammers Yacht Club was forced out so that a new lease could be taken out on the club house.

David Levine commented on the dock reconfiguration plan and said the commission should gather more information such as hearing more about the process. He asked if an initial study for this dock reconfiguration has been submitted to the Department of Regional Planning and are they going through the same process that would be required if it was a Lessee; how the parking would be handled; will the County pay the fees and will the Promenade be included. Lastly, he said the study should include how the waterside development reconfiguration will interact with the landside developments.

Michael Tripp said that the Department of Regional Planning will have little to do with the development and that the waterside will be reviewed by the Coastal Commission. The Regional Planning will review the number of dock slips for adequate parking.

Carla Andrus asked how Don Knabe received funding to repair the docks and why it isn't cost recovery.

Santos Kreimann said the Board approved that the funds collected from Parcel 47 would go into a trust account which would fund the cost of operation, maintenance and replacement of the slips.

Item 5b - Marina del Rey Slip Vacancies: A Special Report

Santos Kreimann gave an overview of the report and said there are increases in slip vacancies.

Jon Nahhas commented that the Commissioners start investigating the slip vacancies, inquire about the prices and poor docks.

Carla Andrus said Holiday Harbor was moving boats out of the marina and that there are thirty-three small slips available. She commented that this should be a lively marina.

Santos Kreimann said Holiday Harbor is in the process of trying to obtain a Coastal Development Permit to replace their docks. As part of the management decision boats were moved over to other docks and will be replaced in the near future.

Andy Bessette commented that Marina del Rey is getting a reputation as being one of the most unfriendly marinas in the world. He said the report from Director Kreimann is misleading.

Santos Kreimann said he wanted to have accurate information and did not list the Espirit project because it would have made it appear to have a 12-15 % vacancy.

Item 6a - Ongoing Activities Report

Santos Kreimann gave an overview of the Ongoing Activities Report which consisted of the Board actions, Regional Planning Commission's calendar, Venice Pumping Plant Dual Force Main project update, Oxford Basin project update, redevelopment project status report and the Unlawful Detainer status.

Michael Tripp stated that public hearings have been set for the following projects Neptune Marina projects (Parcels 10R & FF), the Woodfin Hotel and public park project (P9U). He said the hearing is scheduled for August 12, 2009 at Chace Park but the Regional Planning Commission will have a field trip to the sites on August 8, 2009.

John Rizzo commented that there should be a mini commission under the commissioners. He said the park should be cleaned up and the fence should be removed to help make more interesting.

Santos Kreimann said the letter written by Marcia Hanscom has already been forwarded to Public Works.

Carla Andrus said she was happy to know the dead trees will be removed and that the Tri-Zec building will be considered for the new location for Beaches and Harbors.

Santos Kreimann said multiple locations are being sought for the new Administration Building.

Jon Nahhas asked for clarification in regards to a statement made by Supervisor Knabe. He asked was a RFP for Parcel 49 & 77 going to be generated with the RFQ. He also commented on Unlawful Detainers and Evictions.

Tom Faughnan said yes. The Board letter and Resolution approved by the Board is a two-step process involving a RFQ and RFP.

Chairman Lesser commented that the reason for the Unlawful Detainers on the monthly ongoing report is to see if there is prejudice by the dockmaster.

Santos Kreimann commented that the fourth recommendation calls for the Board of Supervisors to approve an RFP and exclusive right to negotiate based on an RFP that will be issued by Beaches and Harbors and that this is actually a three-step process.

Chairman Lesser asked when could the RFP be reviewed.

Tom Faughnan said if the department is going to make a recommendation to the board to authorize exclusive negotiations with a proposer who has responded to an RFP it would be forwarded to the Commissioners before it is forwarded to the Board of Supervisors.

Item 7 - Communication from the Public

William Vreszk questioned the statistics and asked if Bar Harbor and Esprit were counted in the Slip Vacancy report.

Carla Andrus commented on the number of vacant slips at Esprit I.

Jon Nahhas commented on waiting lists, advertising of boat slips and vacancy of boat slips.

Item 8 - Adjournment

Chairman Lesser adjourned the meeting at 12:07 p.m.

Respectfully Submitted By: Donna Samuels, Commission Secretary
*Copies of taped meetings can be purchased immediately following all meetings with Commission Secretary.

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- MAY 2009



	MARINA AREA	EAST END		
	(RD'S 2760-	(RD'S 2764-		
Part I Crimes	2763)	2768)		
Homicide	0 1	0		
Rape	0	0		
Robbery: Weapon	0	2		
Robbery: Strong-Arm	0	, 2		
Aggravated Assault	4	2		
Burglary: Residence	0	13		
Burglary: Other Structure	6	7		
Grand Theft	10	2		
Grand Theft Auto	3	7		
Arson	0	0		
Boat Theft	0	0		
Vehicle Burglary	3	6		
Boat Burglary	0	0		
Petty Theft	7	2		
Total	33	43		

Note- The above numbers may change due to late reports and adjustments to previously reported crimes.

Source- LARCIS, Date Prepared –JUNE 1, 2009 CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT MARINA DEL REY STATION PART I CRIMES- MAY 2009



	West	Fact	100	Model						
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	Marina	Marina	R.D.	Water	Ladera	Area	adera	Ï	Dord	401
	2760	2761	2762	2763		2765	2266			O ALS
Homicide					5	2017	7,00	70/7	2/68	
2012										c
Rape										•
Robbery: Weapon						1	,			0
Robbery: Strong Arm							-	-		2
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Distance Assault								-	-	9
Durgiary: Residence							5	Ľ.	٣	4.5
Burglary: Other Structure	2	-				1	,	, (, ,	2
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Note- The above numbers may change due to late reports and adjustments to previously reported crimes.

Source- LARCIS, Date Prepared JUNE 1, 2009 CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- MAY 2009





Community	Upper	Lower
Advisory	Ladera	Ladera
Committee	2764	2766
Homicide	0	0
Rape	0	0
Robbery: Weapon	0	1
Robbery: Strong-Arm	0	0
Aggravated Assault	0	O
Burglary: Residence	0	5
Burglary: Other Structure	0	2
Grand Theft	1	0
Grand Theft Auto	0	3
Arson	0	0
Boat Theft	0	0
Vehicle Burglary	0	3
Boat Burglary	0	0
Petty Theft	0	1
Total	1	15

Note- The above numbers may change due to late reports and adjustments to previously reported crimes.

Source- LARCIS, Date Prepared JUNE 1, 2009 CRIME INFORMATION REPORT - OPTION B



MARINA DEL REY HARBOR LIVEABOARD COMPLIANCE REPORT 2009



Liveaboard Permits Issued						
	April	May				
New permits Issued:	7	4				
Renewal Issued:	9	13				
Total:	16	17				
Notices to Comply Issued:	6	18				

Totals:	April	May
Liveaboard:	348	343
Current Permits:	294	288
Expired Permits:	26	19
No Permits:	28	36
Total reported vessels in Marina	del Rey Harbor:	4690
Percentage of vessels that are re	gistered liveaboards	7.31%
Number of currently impounded	vessel: 6	



To enrich lives through effective and caring service



June 4, 2009

Santos H. Kreimann

Director

Kerry Silverstrom Chief Deputy

Small Craft Harbor Commission

FROM:

TO:

Santos H. Kreimann, Director

SUBJECT:

ITEM 3b - MARINA DEL REY AND BEACH SPECIAL EVENTS

<u>MARINA DEL REY EVENTS</u>

MARINA DEL REY OUTDOOR ADVENTURES 2009

Sponsored by the Los Angeles County Department of Beaches and Harbors Burton Chace Park ♦ 13650 Mindanao Way ♦ Marina del Rey ♦ CA ♦ 90292

Bird Watching Experience Program

Thursday, June 25 at 9:00 am

County-sponsored bird watching walk for adults is a free two-hour walk, which will take place at various sites in the Ballona Wetlands. Meet at the Burton Chace Park Community Room. Participation, parking and transportation to the tour site are free. Pre-registration is a must! To register, please call (310) 628-2135.

MARINA DEL REY WATERBUS

June 26 through September 7, 2009

For fun on the weekend, ride the Marina del Rey WaterBus. Park your car and ride the WaterBus for a unique water's-eye view of Marina del Rey. Seven boarding stops throughout the Marina offer opportunities to shop or dine in one of the most beautiful Southern California residential and tourist areas. Bikes and strollers welcome on board, no pets allowed. Fare is \$1.00 per person, one way. Season passes are available for \$30.00.

June 26 - September 7

Fridays: 5:00 pm - midnight Saturdays: 11:00 am - midnight Sundays: 11:00 am - 9:00 pm

Marina Summer Concert Schedule

Thursday, July 9: 5:00 pm — midnight Thursday, July 23: 5:00 pm - midnight Thursday, August 6: 5:00 pm - midnight Thursday, August 20: 5:00 pm - midnight

Holiday Schedule

4Th of July: 11:00 am – midnight Labor Day: 11:00 am – 9:00 pm

WaterBus attendants will arrange for land taxi service for passengers needing special assistance to any WaterBus boarding stop for the \$1.00 fare.

Boarding locations are:

Marina "Mother's" Beach (ADA accessible) 4101 Admiralty Way

Fisherman's Village 13755 Fiji Way

Burton Chace Park (ADA accessible) 13650 Mindanao Way

Waterfront Walk (ADA accessible)
4433 Admiralty Way, Fire Station #110

Dolphin Marina (ADA accessible) 13900 Panay Way, Dock Gate #C-200

Marina Harbor (ADA accessible)
13928 Tahiti Way, Dock Gate #A-2200

Esprit 1 (ADA accessible) 13900 Marquesas Way, Dock Gate B-602

Ample parking is available at nearby Los Angeles County lots for a reasonable fee.

For more information: Call Marina del Rey Visitor Center at (310) 305-9545.

OPEN COMMUNITY FORUM

Burton Chace Park Community Room Tuesday, June 30, 2009 6:00 pm – 8:00 pm

The Community and Marketing Services Division will be hosting an Open Community Forum at the Burton Chace Park Community Room. The forum will focus on new recreational programs tentatively scheduled to begin in the fall. The programs will primarily be held at Burton Chace Park and the new Dockweiler Youth Center. The forum will give the community an opportunity to voice their opinion about the programs that the Division plans on implementing and offer any suggestions for other programs or activities not covered or currently included in the new recreation plan.

For more information: Call Burton Chace Park at (310) 305-9596

MARINA DEL REY FOURTH OF JULY FIREWORKS

Burton Chace Park Saturday, July 4, 2009 9:00 pm

The traditional fireworks extravaganza over the main channel in Marina del Rey will be presented on Saturday evening, July 4, starting promptly at 9:00 pm. This event is sponsored by the Los Angeles County Department of Beaches and Harbors. The fireworks are choreographed to patriotic music, which will be broadcast by radio station KXLU 88.9 FM in sync with the pyrotechnic display. The music will be relayed over loudspeakers in Burton Chace Park.

Parking is available in County lots. Fireworks may also be viewed at Fisherman's Village and throughout Marina del Rey.

For more information: Call Marina del Rey Visitor Center at (310) 305-9545

SUNSET SERIES SAILBOAT RACES

Marina del Rey Wednesday Evenings through September 2, 2009 5:30 pm – 8:00 pm

Spectators can enjoy these races from the comfort of one of the water-view restaurants on Wednesday evenings between 5:30 pm (sailboats leaving the harbor) and 8:00 pm (race finishes at California Yacht Club).

FISHERMAN'S VILLAGE WEEKEND CONCERTS

Sponsored by Pacific Ocean Management, LLC All concerts are from 2:00 pm – 5:00 pm

Saturday, June 6

Malachi Nathan & The Elements, playing Funky Jazz Blues

Sunday, June 7

Floyd & The Flyboys, playing Soul Review

Saturday, June 13

Eric Ekstrand Ensemble, playing Swing & Jazz

Sunday, June 14

2AZZ1 and The Body & Soul Band, playing Smooth Jazz

Saturday, June 20 Javid & Naoko New Flamenco, playing Flamenco Guitars

Sunday, June 21
The Bill James Group, playing Smooth Jazz

Saturday, June 27
The Greg Wright Blues Band, playing Rockin' Blues

Sunday, June 28
The John Brown Band, playing Classic Rock/Pop

For more information: Call Pacific Ocean Management at (310) 822-6866

BEACH EVENTS

BEACH SHUTTLE

Through September 7, 2009
Fridays and Saturdays from 10:00 am – 10:00 pm
Sundays and Holidays from 10:00 am – 8:00 pm

Catch a free ride on the Beach Shuttle to and from Playa Vista, Marina del Rey and Venice, and enjoy the surf, sand, and surroundings of Marina del Rey in a hassle-free and relaxing way. Beach shuttle operates weekends and during the Thursday Marina del Rey Summer Concerts, which begin July 9th.

For more information: Call Marina del Rey Visitor Center (310) 305-9545 or Playa Vista Guest House (310) 745-5200. Brochure available at http://beaches.lacounty.gov or www.playavista.com.

SANTA MONICA PIER TWILIGHT DANCE SERIES

Santa Monica Thursdays from June 25 – August 27, 2009 7:00 pm - 10:00 pm

At free concerts on the Pier, prepare to sing, dance, or just rock out to the best in reggae, folk, rock and eclectic world music on the Santa Monica Pier.

For more information: Contact www.twilightdance.org

MR. AND MRS. MUSCLE BEACH

Venice Beach 1800 Ocean Front Walk Saturday, July 4, 2009 Pre-Judging starts at 10:00 am Finals start at 1:00 pm

Free Bodybuilding competition on Venice Beach.

For more information: Call (310) 399-2775 or visit www.musclebeachvenice.com

GI JOE PIER TO PIER WALK/RUN

City of Hermosa Beach Hermosa Beach Saturday, June 13, 2009 7:00 am

Walk or run from the Hermosa Beach Pier to the Manhattan Beach Pier and back (approximately four miles) in the sand. Participants will receive a Pier to Pier Run T-shirt, goodie bag and prizes, including a chance to win a free 10 week Boot Camp session.

For more information: Contact Joe Charles at JCactivity@ca.rr.com

SHK:ks



To enrich lives through effective and caring service



June 4, 2009

Santos H. Kreimann Director

> **Kerry Silverstrom** Chief Deputy

TO:

Small Craft Harbor Commission

FROM:

Santos H. Kreimann, Director

SUBJECT:

ITEM 4a - FOLLOW-UP RE MARINA DEL REY SLIP SIZING STUDY

AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

The Marina del Rey Slip Sizing Study and the Marina del Rey Slip Pricing and Vacancy Study were reviewed by your Commission during the March 11, 2009 and April 8, 2009 meetings. They were again placed on your May 13, 2009 agenda, at which time your Commission held the item for discussion in June.

With respect to the written comments received from five individuals by the end of the extended public comment period on April 22, 2009, both consultants have completed their review of the comments and updated their respective study reports to incorporate their responses. The Slip Sizing study was updated by inclusion of Appendix D to the original report. Likewise, the Slip Pricing and Vacancy Study was updated, principally, by inclusion of Appendix D to the report. Both Appendixes D are attached as Exhibit A and Exhibit B, respectively.

We request that your Commission, upon completion of discussion, endorse the findings contained in the above referenced reports and instruct the Department of Beaches and Harbors to include the report in its comments to the Department of Regional Planning in response to the California Coastal Commission's periodic review.

SHK:ks Attachments (2)

EXHIBIT A

XV APPENDIX D: RESPONSE TO PUBLIC COMMENTS ON MARINA DEL REY SLIP SIZING STUDY

On March 24, 2009 Los Angeles County Department of Beaches and Harbors ("DBH") released a copy of Noble Consultants, Inc.'s (NCI) Final Draft Report, Marina del Rey Slip Sizing Study ("Study") for public review and comment. DBH received five written comments from various Marina del Rey stakeholders and provided these comments to NCI for review. The following outlines specific responses to public comments provided to NCI followed by a summary of the limited changes made to the Study. The full text of public comments along with DBH's response to each is also included at the end of Appendix D.

RESPONSE TO COMMENTS

Marina del Rey Lessees Association – The Lessees Association provided twelve comments to NCI's Study:

1. Page 1: Bullet Point #4: The report states that "More boats in the 30 feet length and less category are moving to dry boat storage." The consultant should be asked to quantify the number of boats under 30 feet that are moving to dry stack storage.

Response: NCI has corrected the Study to say, "More boats in the 30 feet length and less category are expected to move to dry boat storage."

2. Page 2: Table: We believe the Table requires more clarity. Does this Table mean that an individual marina should not have any slips under 30 feet when redeveloped? Does this include dry slips? What does it mean that the Table shows an apparently uneven redistribution of the percentages for the maximum case percentage for individual marinas? For instance, the 11% of slips 50 feet and over remains static, while all other categories 30 feet and above are adjusted upward.

Response: This table implies that when combining all of the MDR marinas (not dry storage; these are not marinas) that 30% of these slips be for boat lengths of 30 feet or less, however there also can be a higher percentage of the smaller slip sizes as shown in Table 8. Also, page 34 states that these percentages should not be considered as absolute. This table does not say that an individual reconfigured marina should not have any slips under 30 feet in length; it only says that it is okay to have zero slips under 30 feet as long as there are still at least 30% of the total MDR slips available in this size. The table recommends that the total distribution of boat slips 50 feet and longer should not exceed 11% for all MDR marinas and also for individual reconfigured marinas as well.

3. Page 2: Table: The Table along with the associated recommendations outlined in the Executive Summary, also fails to account for the fact that several anchorages, acting

upon prior County policies, have already submitted proposals which minimize the potential for reconfiguration. The County has reserved the highest proportion of larger slips to those future projects which were not required to respond to prior invitations for Lease Extensions, and the County should reconsider the practical application of this policy.

Response: The County has not reserved any proportion of slip sizes for future projects.

4. Page 2: Since the Coastal Commission has recommended eliminating the Funnel Concept, and the recreational boating groups and environmental groups oppose it, then perhaps it should not be mentioned as a viable alternative.

Response: The funnel concept is only referenced as one option in order to add additional slips in MDR on the basis that adequate boat navigation is still maintained.

5. Page 3: Bullet Point #1: We should insert the word "substantially" before "meet the minimum requirements..." as the DBAW guidelines and the County's design criteria for Marina del Rey are actually just guidelines and not requirements.

Response: The DBAW guidelines include both recommendations and requirements. The minimum requirements for both DBAW and the County should be met as these are requirements, not recommendations, unless the Agencies agree to special exceptions after review, therefore the word "substantially" will not be inserted when referring to "minimum requirements".

6. Page 4: Where has Marina del Rey become "a role model for other urban marinas throughout the world"?

Response: NCI has corrected the Study to say, "one of the successful urban marinas throughout the world".

7. Page 6: The proposed slip count relies on the proposed dry stack projects at parcel 53 and 44 actually being constructed. Should these not be constructed the slip count will be reduced to 4,871 rather than to 5,343, resulting in a 677 slip reduction that represents a 12.2% decrease.

Response: Both the existing and proposed wet and dry boat storage totals are included. The Study does not assume or state that the proposed wet and dry boat storage will occur. It states that based on what is currently proposed, at the time of the Study, what the total would become when including the currently proposed wet and dry boat storage. The basis of this Study was set forth; that both the existing and the currently known proposed slip counts were considered.

8. Page 7: It is important to note that <u>only</u> the currently proposed slip reconfigurations are included in this report. There are four marinas representing 894 slips which will have to be reconfigured in the next few years. In addition, there are two other marinas reconfigured in the 1980's which will be up for reconfiguration in the next decade, representing another 526 slips.

Response: The report does state that the "currently proposed" slip reconfigurations are the ones being considered in this Study. Page 19 provides a listing of the currently proposed marina slip reconfigurations that were considered in this Study, and refers to these eight as currently proposed. It also states that only one of these eight, at the time of this Study, had received final approval while the other seven were in various stages of the approval process. This report also states that the purpose of this Study is to present recommendations for MDR marinas being replaced and reconfigured during the next 40 years (i.e. pages 4 and 34).

9. Page 25: Boat registration numbers change by size categories. Do these numbers of registrations for smaller boats include personal watercraft? If so, the personal watercraft registrations should be removed, because they skew the numbers in favor of smaller slips for vessels that do not require small boat slips.

Response: The presented boat registration numbers are national numbers for all registered boats shown within the size categories. There was no presented numbers of personal watercraft that may have been included within these numbers that were available from the data sources utilized. These registration numbers, over the years available, were only used to illustrate that the larger size vessels have the higher percentage increase in vessel registration. Any personal watercraft that may or may not have been included within the "under 16 feet" size category would not change this result.

10. Page 37: It is inconsistent with the recommendations of this study that the existing dry boat storage on parcel 77 should be eliminated.

Response: This Study does not recommend that the existing dry boat storage on Parcel 77 be eliminated; it states that this dry boat storage will be eliminated.

11. Page 37: The report identifies Parcel 52/GG to provide dry stack storage for 349 boats and Parcel 44 to provide the same for 234 boats. These two projects are speculative in nature as they face many hurdles in obtaining entitlements in a protracted discretionary process, to say nothing of potential financing challenges.

Response: The existing and proposed dry boat storage refers to Table 3 (page 10) which clearly states that both the Parcel 52/GG dry storage of 349 boats and the Parcel 44 dry storage of 234 boats are "proposed" dry boat storage counts.

12. The report has not addressed supportive landside services on marine/commercial properties to facilitate the use of visitor-serving commercial operations such as FantaSea and Hornblower.

Response: The scope of work for this Study did not include addressing any supportive landside services.

Mr. Gregory F. Schem – Mr. Schem provided eight comments to NCI's Study. Mr. Schem's comments are identical to the Marina del Rey Lessees Association comments above and are addressed by the above responses.

Mr. Andy Bessette – Mr. Bessette provided general comments questioning the independence of the Study.

Response: The issue of NCI's independence was discussed at some length in the public meeting.

Mr. Raymond J. Fisher – Mr. Fisher provided general comments concerning the legitimacy of slip pricing increases in Marina del Rey.

Response: See response provided by ADK&A in the ADK&A report since slip pricing was not addressed in NCI's Study of slip sizes.

Mrs. Lynda and Mr. Wesley Little – Mr. and Mrs. Little provided general comments concerning the legitimacy of slip pricing increases in Marina del Rey.

Response: See response provided by ADK&A in the ADK&A report since slip pricing was not addressed in NCI's Study of slip sizes.

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Marina del Rey Lessees Association

C/o Mr. Timothy C. Riley, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402 Telephone: 818-891-0495; FAX: 818-891-1058

April 21, 2009

Mr. Santos Kreimann Director Department of Beaches and Harbors 13837 Fiji Way Marina del Rey. CA 90292

Re:

Marina del Rey Slip Sizing Study

Marina del Rey Slip Pricing and Vacancy Study

Dear Mr. Kreimann:

The Marina del Rey Lessees Association submits the following comments, questions and suggestions in the matter of the above-referenced studies commissioned by the County of Los Angeles Department of Beaches and Harbors.

Marina del Rev Slip Sizing Study:

- 1. Page 1: Bullet point # 4: The report states that "more boats in the 30 foot length and less category are moving to dry boat storage". While we concur that a greater number of smaller boats should be placed in dry stack storage, we do not find that the report provides sufficient data to reach this conclusion. The consultant should be asked to quantify the number of boats under 30 feet that are moving to dry stack storage. Since there have been very few new dry storage facilitates constructed within the market area, has the study included nationwide data outside of the market? If so, is this relevant to Marina del Rey?
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Marina del Rey Slip Pricing and Vacancy Study

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characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

As an interested party to the redevelopment of Marina del Rey to serve our boating community and to enhance our recreational facilities, the Marina del Rey Lessees Association appreciates the independent study efforts that will assist in rebuilding our marinas to modern standards. We believe that these reports substantiate, to a large degree, what other studies have previously found, namely that Marina del Rey is in line with the marketplace and that the trend is to larger wet slips.

We look forward to working with the County as these studies move forward during the public review process.

Sincerely,

David O. Levine President

(letter transmitted by email)

Paul Wong

From: wi (ragazza@verizon.net)

Sent: Monday, April 06, 2009 10:33 PM

To: Paul Wong

Subject: Comments to Draft Slip Pricing and Vacancy Report

To Whom it May Concern:

I would like to offer our household's comments regarding the issue of slip pricing in Marina Del Rey.

I have kept sailboats in the marina since 1986. Initially in the county's mast-up storage, and then subsequently in 1997 at the Marina Del Rey Hotel Marina.

Over the last 22 months, I have watched my current leaseholder; Almar, increase my rent by 39%. Has the CPI risen by that much? Have groceries increased by that much? Has anything (including salaries) increased by that much over such a short period of time? Why then, does the county allow this kind of price gouging?

The current proposed rate of \$477/mo for a 30' silp exceeds the costs for similar-sized slips in five other marinas both in MDR and in King Harbor. This is not fair-market pricing, but rather a means to force out the "Little guy" and replace him with more and more of the wealthy few who keep a boat as a business expense, and use it very little. Excess profiteering appears to be the other possible motive behind these increases. Have any of the prior four increases been used to upgrade this LA County asset? I haven't seen one change other than flowers in the bathrooms. The showers are still disgusting mildew-ridden spaces, and the docks are incredibly old and uneven.

Would the county consider leasing parts of Griffith Park, or developing condos at Dockweller Beach? No, because these are public assets meant for the ENTIRE populace of LA County to enjoy. MDR should be viewed just the same. You can't put a price on the only county recreational boating area for millions of county residents. By allowing these unjustifiable increases, that is exactly what is happening.

Thank you for your time. I hope you'll strongly consider my views.

Sincerely,

Wesley and Lynda Little 41163 Rimfield Dr Palmdale CA 93551

RAYMOND J FISHER 13080 MINDANAO WAY #98 MARINA DEL REY, CA. 90292 TEL: (310) 823-4488 FAX (310)823-8559

E-Mail: raymondifisher@gmail.com or ray@starbizmgmt.com

Via mail Via fax (31)821-6345

March 15, 2009

Santos H. Kreimann Director
Los Angeles County Besches & Harbor
13837 Fiji Way
Marina Del Roy
California 90292

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Dear Mr Kreimann:

I had the "experience of attending the meeting on Wednesday March 11, 2009 at Burton Chase Park. I had the opportunity to address you and the Board but unfortunately I feel i was not clear in precise on my "presentation" I had undergone a length MKI that day and was in pain & very tired.

I would like the opportunity to set forth in writing my points, evaluation, and comments in writing to be sure that my feelings and comments are of a more permanent record. I would firstly like to commend you with for your work in what seems to be a very difficult matter. I feel that you will most likely make some much needed changes and improvements as expeditiously as possible.

I have been a tenant of Marina Del Rey Hotel Slips since 1988. I have a 48ft Yacht and consider myself a "large boat owner" in fact I have been trying to purchase a larger boat (70" for a number of years).

I also feel that way to much attention is given to "small boat owners" It seems nothing gets done because of inaccurate outrage of small boat owners not being able to find a slip. I know for a fact there are always vacancies for small boat owners and in fact it seems now and your survey proves it. The small boat owner has more than enough availability. The large boat owner must be given some input and consideration in this matter

Page 2 of 2 March 15, 2009 Santos H. Krelmann Director

When I first rented my slip at the Hotsi (1988) I was told that the slips would be substantially improved or replaced within a couple of years. Quite honsetly not only has NOTHING been done but the slips are now almost dangerous. What adds "insult to injury" is that my slip rents have increases by an enormous amount since inception and NOW I have been advised of another 16% plus increase. I was mistakenly patient from 1988 thru 2000 for improvements or replacement. However when Almar Management, Inc. took over a few years ago the increase started again with AGAIN the assurance of new docks.

What I am upset is that, they/you can increase the rent stating they will be replacing the docks OR replacing the docks THEN raising the rent. YOU CANNOT DO BOTH!!!!!!

I have had a number of conversations with Jim Hayes the V.P. of operations for Almar who seems to be also frustrated and get the feeling that their "bands are tied" as they need approval from the County. If this is true and based on the meeting last week I must make you aware the County is jeopardizing a major asset in income revenue and tourist appeal in a major way. Its time to maker this merina the "showcase" it should be. This alone will substantially increase revenues for the County. I am getting the feeling and taking to other boaters they are getting tired of "nothing being done" for 20 years and will either move their boat to another marina or possibly give up boating.

As now a retired accountant /business manager, while I appreciate the "survey" I find that it only gives an indication of the status. As an accountant I have many times been asked the question. What is two plus two? My answer is "what do you want it to be! I find that the survey should have made adjustments for Newport as it is a very affluent area plus it should include San Diego area due to substantial amount of docks, slips & boats. Also San Francisco area is not compatible and should be eliminated.

Lastly I would like to offer my services, (obviously gratis) to assist in this seems to be a "monumental task" I have many contacts City, County & Federal that maybe of some assistance in this matter. Maybe some of the promised "stimulus monies "that we all need can be used to expedite this matter.

Respectfully submitted

Raymend J Pisher

Paul Wong

From:

andy bessette [bessette_andy@yahoo.com]

Sent:

Wadnesday, April 22, 2009 10:05 AM

To:

Paul Wong

Sublect:

slip size and pricing studies

. Follow Up Flag: Follow up

Flag Status:

Red

Hello Paul,

following are my comments regarding the recent slip size and pricing studies:

These studies are a complete fabrication, ordered virtually word-for-word by the developers, purposely laden with misinformation, erroneous data and conclusions, their principle intent being to mislead the public and lend credence to the county's pitiful planning, cover-up their price gouging, and hide the decimation of small boat slips and the gentrification of this marina. The pricing study does not represent what is now being paid by slip renters, but has been created to increase the lessees' property values and force out the boaters of normal or modest means.

The sizing study has been written to deliberately hide the true numbers of slips lost due to the developers' land-grabbing of the related boat-owner parking; to disguise the county's failure to honestly manage this marina; and to glorify the developers' rapacious redevelopment plans. In a word, it shows to what lengths the county is willing to stoop...in their desperation for money. And it showcases the level of corruption which has become "acceptable" to the leaders of our unfortunate community, and their indifference to the needs of the boaters for whom the marina was built.

Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association

Comments From Gregory F. Schem

Noble Study:

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Marina del Rey Lessees Association

C/o Mr. Timothy C. Rliey, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402 Telephone: 818-891-0495; FAX: 818-891-1056

April 21, 2009

Mr. Santos Kreimann Director Department of Beaches and Harbors 13837 Fiji Way Marina del Rey, CA 90292

Re:

Marina del Rey Slip Sizing Study

Marina del Rey Slip Pricing and Vacancy Study

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David O. Levine President

(letter transmitted by email)

From: wi [ragazza@verizon.net]

Sent: Monday, April 06, 2009 10:33 PM

To: Paul Wong

Subject: Comments to Draft Slip Pricing and Vacancy Report

To Whom it May Concern:

I would like to offer our household's comments regarding the issue of slip pricing in Marina Del Rey.

I have kept sailboats in the marina since 1986. Initially in the county's mast-up storage, and then subsequently in 1997 at the Marina Del Rey Hotel Marina.

Over the last 22 months, I have watched my current leaseholder; Almar, increase my rent by 39%. Has the CPI risen by that much? Have groceries increased by that much? Has anything (including salaries) increased by that much over such a short period of time? Why then, does the county allow this kind of price gouging?

The current proposed rate of \$477/mo for a 30' slip exceeds the costs for similar-sized slips in five other marinas both in MDR and in King Harbor. This is not fair-market pricing, but rather a means to force out the "Little guy" and replace him with more and more of the wealthy few who keep a boat as a business expense, and use it very little. Excess profiteering appears to be the other possible motive behind these increases. Have any of the prior four increases been used to upgrade this LA County asset? I haven't seen one change other than flowers in the bathrooms. The showers are still disgusting mildew-ridden spaces, and the docks are incredibly old and uneven.

Would the county consider leasing parts of Griffith Park, or developing condos at Dockweller Beach? No, because these are public assets meant for the ENTIRE populace of LA County to enjoy. MDR should be viewed just the same. You can't put a price on the only county recreational boating area for millions of county residents. By allowing these unjustifiable increases, that is exactly what is happening.

Thank you for your time. I hope you'll strongly consider my views.

Sincerely,

Wesley and Lynda Little 41163 Rimfield Dr Palmdaie CA 93551

RAYMOND J FISHER 13080 MINDANAO WAY #98 MARINA DEL REY, CA. 90292

TEL: (310) 823-4488 FAX (310)823-8559

E-Mail: raymondifisher@gmail.com or ray@starbizmgmt.com

VIa mail Via fax (31)821-6345

March 15, 2009

Santos H. Kreimann Director
Los Angeles County Beaches & Harbor
13837 Piji Way
Marina Dei Rey
California 90292

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Dear Mr Kreimenn:

I had the "experience of attending the meeting on Wednesday March 11, 2009 at Burlon Chase Park. I had the opportunity to address you and the Board but unfortunately I feel I was not clear in precise on my "presentation" I had undergone a length MRI that day and was in pain & very tired.

I would like the opportunity to set forth in writing my points, evaluation, and comments in writing to be sure that my feelings and comments are of a more permanent record. I would firstly like to commend you with for your work in what seems to be a very difficult matter. I feel that you will most likely make some much needed changes and improvements as expeditiously as possible.

I have been a tenant of Marina Del Rey Hotel Slips since 1988. I have a 48ft Yacht and consider myself a "large boat owner" in fact I have been trying to purchase a larger boat (70" for a number of years).

I also feel that way to much attention is given to "small boat owners" It seems nothing gets done because of inaccurate outrage of small boat owners not being able to find a slip. I know for a fact there are always vacancies for small boat owners and in fact it seems now and your survey proves it. The small boat owner has more than enough availability. The large boat owner must be given some input and consideration in this matter

Page 2 of 2 March 15, 2009 Santos H. Kreimann Director

When I first rented my slip at the Hotel (1988) I was told that the slips would be substantially improved or replaced within a couple of years. Quite honestly not only has NOTHING been done but the slips are now almost dangerous. What adds "insult to injury" is that my slip rents have increases by an enormous amount since inception and NOW I have been advised of another 16% plus increase. I was mistakenly patient from 1988 thru 2000 for improvements or replacement, However when Almar Management, Inc. took over a few years ago the increase started again with AGAIN the assurance of new docks.

What I am upset is that, they/you can increase the rent stating they will be replacing the docks OR replacing the docks THEN raising the rent. YOU CANNOT DO BOTH!!!!!!

I have had a number of conversations with Jim Hayes the V.P. of operations for Almar who seems to be also frustrated and get the feeling that their "hands are tied" as they need approval from the County. If this is true and based on the meeting last week I must make you sware the County is jeopardizing a major seset in income revenue and tourist appeal in a major way. Its time to maker this marina the "showcase" it should be. This alone will substantially increase revenues for the County. I am getting the feeling and taking to other boaters they are getting tired of "nothing being done" for 20 years and will either move their boat to another marina or possibly give up boating.

As now a retired accountent /business manager, while I appreciate the "survey" I find that it only gives an indication of the status. As an accountant I have many times been asked the question. What is two plus two? My answer is "what do you want it to be! I find that the survey should have made adjustments for Newport as it is a very affluent area plus it should include San Diego area due to substantial amount of docks, slips & boats. Also San Francisco area is not compatible and should be eliminated.

Lastly I would like to offer my services, (obviously gratis) to assist in this seems to be a "monumental task" I have many contacts City, County & Federal that maybe of some assistance in this matter. Maybe some of the promised "stimulus monies "that we all need can be used to expedite this matter.

Respectfully submitted

Raymend J Fisher

From:

andy bessette [bessette_andy@yahoo.com]

Sent:

Wednesday, April 22, 2009 10:05 AM

To:

Paul Wong

Subject:

slip size and pricing studies

Follow Up Flag: Follow up

Flag Status:

Red

Hello Paul,

following are my comments regarding the recent slip size and pricing studies:

These studies are a complete fabrication, ordered virtually word-for-word by the developers, purposely laden with misinformation, erroneous data and conclusions, their principle intent being to mislead the public and lend credence to the county's pitiful planning, cover-up their price gouging, and hide the decimation of small boat slips and the gentrification of this marina. The pricing study does not represent what is now being paid by slip renters, but has been created to increase the lessees' property values and force out the boaters of normal or modest means.

The sizing study has been written to deliberately hide the true numbers of slips lost due to the developers' land-grabbing of the related boat-owner parking; to disguise the county's failure to honestly manage this marina; and to glorify the developers' rapacious redevelopment plans. In a word, it shows to what lengths the county is willing to stoop...in their desperation for money. And it showcases the level of corruption which has become "acceptable" to the leaders of our unfortunate community, and their indifference to the needs of the boaters for whom the marina was built.

Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association





Santos H. Kreimann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Gregory F. Schem, Managing Director Harbor Real Estate, L.P. 13555 Piii Way Marina Del Rey, CA 90292

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Schem:

We are in receipt of your e-mail setting forth your comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We have reviewed your comments and have forwarded them to our consultants for their review. If our consultants find the data and information you provided to us useful, they will include it in the studies. Also, we intend to request our consultants to attach your comments to the studies as an exhibit.

Thank you for your input,

Very truly yours,

Paul Wong, Chief

Asset Management Division

SANTOS H. KREIMANN, DIRECTOR





Santos H. Krelmann Director

> Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. David O. Levine, President Marina Del Rey Lessees Association c/o Mr. Timothy C. Riley, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Levine:

We are in receipt of your April 21, 2009, letter setting forth your comments, questions, and suggestions regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We have reviewed your data, comments, and suggestions and have forwarded them to our consultants for their review. If our consultants find the data and information you provided to us useful, they will include it in the studies. Also, we intend to request the consultants to attach your comments to the studies as an exhibit.

Thank you for your input.

Very truly yours.

Paul Wong, Chief

Asset Management Division

SANTOS H. KREMANN, DIRECTOR





Santos H. Kreimann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Wesley Little and Mrs. Lynda Little 41163 Rimfield Drive Palmdale, CA 93551

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. and Mrs. Little:

Thank you for submitting comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We appreciate your participation in the public comments portion of the two above-mentioned studies. We intend to request the consultants to attach your comments to the studies as an exhibit. Your specific concerns regarding your slip fee increase were addressed in a separate letter sent to you on March 26, 2009.

Thank you for your input.

Very truly yours,

SANTOS H. KREIMANN, DIRECTOR

Paul Wong, Chief





Santos H. Kreimann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Raymond J. Fisher 13080 Mindanao #98 Marina Del Rey, CA 90292

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Fisher:

Thank you for your participation with the public review portion of the two abovementioned studies. Specifically, we appreciate you for coming to the March 11, 2009, meeting and for your March 15, 2009, letter setting forth your comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. It is very important for us to hear from the public, and we appreciate individuals like you who take the time to come forward with comments.

We intend to request our consultants to attach your comments set forth in your letter as an exhibit to the studies. Thank you again for your participation.

Very truly yours,

SANTOS H. KREIMANN, DIRECTOR

Paul Wong, Chief

From:

Paul Wong

Sent:

Wednesday, May 06, 2009 7:53 AM

To:

'andy bessette'

Subject: RE: slip size and pricing studies

Hello, Andy:

We have received your comments regarding the Marina del Rey Slip Sizing Study and the Marina del Rey Slip Pricing and Vacancy Study. We intend to request the consultants to attach your comments to the studies as an exhibit.

Paul Wong (310) 305-9512

From: andy bessette [mailto:bessette_andy@yahoo.com]
Sent: Wednesday, April 22, 2009 10:05 AM

To: Paul Wong

Subject: slip size and pricing studies

Hello Paul.

following are my comments regarding the recent slip size and pricing studies:

These studies are a complete fabrication, ordered virtually word-for-word by the developers, purposely laden with misinformation, erroneous data and conclusions, their principle intent being to mislead the public and lend credence to the county's pitiful planning, cover-up their price gouging, and hide the decimation of small boat slips and the gentrification of this marina. The pricing study does not represent what is now being paid by slip renters, but has been created to increase the lessees' property values and force out the boaters of normal or modest means.

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Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association



EXHIBIT B

310.820.0900 213.623.3841 Fax 213.623.4231

Allan D. Kotin & Associates
Real Estate Consulting for Public Private Joint Ventures
949 S. Hope Street, Suite 200, Los Angeles, CA 90015

akotin@adkotin.com

APPENDIX D: RESPONSE TO PUBLIC COMMENTS ON MARINA DEL REY SLIP PRICING AND VACANCY STUDY

On March 24, 2009 Los Angeles County Department of Beaches and Harbors ("DBH") released a draft of Allan D. Kotin & Associates ("ADK&A") Draft Marina del Rey Slip Pricing and Vacancy Study ("Study") for public review and comment. DBH received five written comments from various Marina del Rey stakeholders and provided these comments to ADK&A for review. The following outlines specific responses to public comments provided to ADK&A followed by a summary of the limited changes made to the Study. The full text of public comments along with DBH's response to each is also included at the end of Appendix D.

RESPONSE TO COMMENTS

Marina del Rey Lessees Association – The Lessees Association provided three comments to ADK&A's Study:

1. Page 1: Under "key Findings of the Noble Consultants Report," the word "proposed" should precede "dry storage for smaller boats" in the last sentence of the first paragraph.

Response: ADK&A has corrected the Study to reflect this proposed change.

2. Page 8: Boat yards and other marina operators do not maintain vacancy to accommodate customers or for the purpose of other collateral uses. Other than minimal staging areas for haul out, all slips are rented to slip tenants and/or leased to sub-tenants.

Response: See combined response below.

3. Page 9: The difference between so called "independently priced marinas" and other marinas seems to be overblown. It is our experience that all marina slips compete with all other marina slips based upon their individual characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

Response: Fully respecting the comments offered, the fact remains that there necessarily must be some differences in priorities between the independently priced marinas operated for no other purpose than to generate revenues from slip occupancy and adjacency affected marinas which are operated as part of business with other activities and profit sources. ADK&A is not comfortable lumping the two groups together because it seems likely that the price setting and occupancy patterns may in some way be affected in by other priorities.

More importantly, the fact that ADK&A chose to segregate the two groups has no material effect on the results or conclusions drawn from the Study. Appendix A shows that the



MARINA DEL REY SLIP PRICING AND VACANCY STUDY -- APPENDIX D

adjacency affected slip pricing trends are very similar to those observed in independently priced slips and Appendix C shows the similarity of vacancy trends between the two groups.

Mr. Gregory F. Schem – Mr. Schem also provided three comments to ADK&A's Study. Mr. Schem's comments are nearly identical to the Marina del Rey Lessees Association comments above and are addressed by the above responses.

Mr. Andy Bessette – Mr. Bessette provided general comments questioning the independence of the Study.

Response: The issue of ADK&A's independence was discussed at some length in the public meeting.

Mr. Raymond J. Fisher – Mr. Fisher provided general comments concerning the legitimacy of slip pricing increases in Marina del Rey.

Response: See combined response below.

Mrs. Lynda and Mr. Wesley Little – Mr. and Mrs. Little provided general comments concerning the legitimacy of slip pricing increases in Marina del Rey.

Response: Assessing the legitimacy of slip price increases is not the purpose of the ADK&A Study. The purpose of the Study is to report what slip pricing is and how it has changed over time, not whether or not the changes in pricing are justified.

Furthermore, the County has considered the issue of price regulation in the past. There exists a significant conflict between price regulation and the creation of an arms length market lease negotiation, and it was concluded in a 1986 lawsuit that if the County imposed slip price controls, it would be unable to negotiate fair market participating rents.

CHANGES TO THE REPORT

As mentioned above, limited changes were made to the Study; those changes are spelled out in detail below. Also attached for your reference is a redline of the revised report, which tracks the changes from the draft report dated 3/16/09 to the revised version dated 5/7/09.

1. The label at the bottom of the cover page, which read "FINAL DRAFT FOR PUBLIC REVIEW - SUBJECT TO CHANGE" has been removed.



MARINA DEL REY SLIP PRICING AND VACANCY STUDY - APPENDIX D

- 2. A footnote was added to page 1, which notes that, "A draft of this report was circulated on March 24, 2009. In response to comments made on the draft, only minor typographical corrections were made in the document. Comments expressing disagreement with judgments in the document or dissatisfaction with related county policies are addressed in the Addendum, Appendix D." Note also that the vacancy and pricing data in the report has not been updated, and the original March release date is unchanged.
- 3. On page 1, the last sentence of the first paragraph under the heading "Key Findings of the Noble Consultants Report" was changed to include the word "proposed" before "dry storages for smaller boats,"
- 4. The Cabrillo Marina slip distribution in Exhibit 5 on page 9 has been changed to reflect a correction that DBH received from Kevin Ketchum. Mt. Ketchum acknowledged that the initial error may well have been the result of incorrect information provided to the survey by his personnel. This table is derived from Appendix B, which was updated to reflect this change.
- 5. A footnote was added to page 9 explaining the update of Exhibit 5.
- 6. On page 20, the last sentence of the report was changed to read, "except for the Dana West Marina which was up 3.3% last fall." In the previous version it read "off" instead of "up." A footnote was also added, which notes that this was, "As of February 2009 when data was collected (not updated)." Note: this qualification is critical insofar as there has been a general increase in vacancy and some decline in rates since the date of the survey as a consequence of the general downturn in the economy.
- 7. Changed the filename to cite the updated version of the file towards the bottom of page 20 for reference.

Comments From Gregory F. Schem

Noble Study:

- 1. Page 1: Bullet point # 4: The report states that "more boats in the 30 foot length and less category are moving to dry boat storage". Where is the back up for this conclusion? How many more boats are we talking about? Since there have been very few new dry storage facilitates constructed within the market area, has the study included nationwide data outside of the market? If.so, is this relevant to Marina del Rey.
- 2. Page 2: Table: Does this mean that an individual marina should not have any slips under 30 feet when re-developed? But if the combined percentage is recommended to b 30% or less, then how do we get there?
- 3. Page 2: in Since the Coastal Commission has recommended eliminating the Funnel Concept, and the recreational boating groups and environmental groups are opposed to it, then perhaps it should not be mentioned as a viable alternative.
- 4. Page 3: Bullet point #1: We should insert the word "substantially" before "meet the minimum requirements..." as they are actually just guidelines and not requirements. By providing some flexibility, major changes in configuration may not become necessary in order to comply. This may provide a very cost effective solution for maintaining existing slip counts. It only makes sense that guidelines maintain more flexibility then specific requirements.
- 5. Page 4: Where has Marina del Rey become a "role model" for other urban marinas throughout the world"? This seems overly presumptive for a factual report.
- 6. Page 6: The proposed slip count relies in the proposed dry stack projects at parcel 53 and 44 actually being constructed. Should these not be constructed the slip count will be reduced to 4,871 rather than to 5,343 resulting in a 677 slip reduction representing a 12.2% decrease. Since these projects are far from even obtaining their basic entitlements and CEQA review, this study should not assume their completion is a fait accompli in its analysis of the base case. Most importantly, since the total slip count is the very basis of this reports fundamental conclusions, the validity and likelihood of these assumptions should be clearly set forth.
- 7. Page 7: It is important to note that <u>only</u> the currently proposed slip reconfigurations are included in this report. There are four marinas representing 894 slips which will have to reconfigure in the next few years. In addition, there are two other marinas which reconfigured in the 1980's which will be up for reconfiguration in the next decade representing 526 slips. Together, this represents 1,420 slips or 27% of the marina which is not included in this study. The reconfiguration of these marinas will likely involve a similar reduction in boat slips and an increase in length as discussed in this report.
- 8. Page 37: It is inconsistent with the recommendations of this study that the existing dry storage on parcel 77 should be eliminated. Given the lower costs associated with the existing storage facility on this parcel, I would think the author would recommend retaining this use.

ADK&A Report:

1. Page 1: The word "proposed" should precede "dry storage facilities for smaller boats" in second paragraph under Key Findings. This is important given the speculative nature of the two dry

Grag Schem, PE

storage facilities which (as stated above) still face considerable economic and entitlement challenges.

- 2. Page 8: Boat yards (and I suspect hotels as well) do not maintain vacancy to accommodate customers and never have. Other than minimal staging areas for haul out, all slips are rented to slip tenants and/or leased to sub-tenants.
- 3. Page 9: The difference between the so called "independently priced marinas" and other marinas seems to be over blown. It is our experience that all marina slips compete with all other marina slips based upon their individual characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

Marina del Rey Lessees Association

C/o Mr. Timothy C. Rifey, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402 Telephone: 818-891-0495; FAX: 818-891-1056

April 21, 2009

Mr. Santos Krelmann Director Department of Beaches and Harbors 13837 Fiji Way Marina del Rey, CA 90292

Re:

Marina del Rey Slip Sizing Study

Marine del Rey Slip Pricing and Vacancy Study

Dear Mr. Kreimann:

The Marina del Rey Lessees Association submits the following comments, questions and suggestions in the matter of the above-referenced studies commissioned by the County of Los Angeles Department of Beaches and Harbors.

Marina del Rey Slip Sizing Study:

- 1. Page 1: Bullet point # 4: The report states that "more boats in the 30 foot length and less category are moving to dry boat storage". While we concur that a greater number of smaller boats should be placed in dry stack storage, we do not find that the report provides sufficient data to reach this conclusion. The consultant should be asked to quantify the number of boats under 30 feet that are moving to dry stack storage. Since there have been very few new dry storage facilitates constructed within the market area, has the study included nationwide data outside of the market? If so, is this relevant to Marina del Rey?
- 2. Page 2: Table: We believe the Table requires more clarity. Does this Table mean that an individual marina should not have any slips under 30 feet when redeveloped? But if the combined percentage is recommended to be 30% or less, how is this achieved? If the first marinas to be redeveloped drop all boat slips under 30 feet, then do the last marinas to be developed take the entire burden of providing the under 30 foot slips in order to maintain the 30% ratio? What does the Table mean by saying 30% of the combined percentage for all MDR marinas is 30% for 30 feet and under? Does this include dry slips? What does it mean that the Table shows an apparently uneven redistribution of the percentages for the maximum case percentage for individual marinas? For instance, the 11% of slips 50 feet and over remains static, while all other categories 30 feet and above are adjusted upward.

- 3. The Table on page 2, along with the associated recommendations outlined in the Executive Summary, also fails to account for the fact that several anchorages, acting upon prior County policies, have already submitted proposals which minimize the potential for reconfiguration. The County has reserved the highest proportion of larger slips to those future projects which were not required to respond to prior invitations for Lease Extensions, and the County should reconsider the practical application of this policy.
- 4. Page 2: Since the Coastal Commission has recommended eliminating the Funnel Concept, and the recreational boating groups and environmental groups are opposed to it, then perhaps it should not be mentioned as a viable alternative.
- 5. Page 3: Builet point #1: We should insert the word "substantially" before "meet the minimum requirements..." as the DBAW guidelines and the County's design criteria for Marina del Rey are actually just guidelines and not requirements. By providing some flexibility, major changes in configuration may not become necessary in order to comply. This may provide a very cost effective solution for maintaining existing slip counts. It only makes sense that guidelines maintain more flexibility then specific requirements.
- 6. Page 4: Where has Marina del Rey become a "role model" for other urban marinas throughout the world"? While we appreciate the uniqueness of Marina del Rey and its appeal to boaters, this type of presumptuous comment seems inappropriate for a factual report unless it is supported by a number of specific examples that could be cited.
- 7. Page 6: The proposed slip count relies on the proposed dry stack projects at parcel 53 and 44 actually being constructed. Should these not be constructed the slip count will be reduced to 4,871 rather than to 5,343, resulting in a 677 slip reduction that represents a 12.2% decrease. Since these proposed dry stack projects are far from even obtaining their basic entitlements and CEQA review, this study should not assume their completion is a fait accompli in its analysis of the base case. Most importantly, since the total slip count is the very basis of this report's fundamental conclusions, the validity and likelihood of these assumptions should be clearly set forth.
- 8. Page 7: It is important to note that <u>only</u> the currently proposed slip reconfigurations are included in this report. There are four marinas representing 894 slips which will have to be reconfigured in the next few years. In addition, there are two other marinas reconfigured in the 1980's which will be up for reconfiguration in the next decade, representing another 526 slips. Together, these marinas represent a total of 1,420 slips or 27% of the marina which is not included in this study. The reconfiguration of these marinas will likely involve a

Page 3

similar reduction in boat slips and an increase in length as discussed in this report.

- 9. Page 25: Boat registration number change by size categories. Do these numbers of registrations for smaller boats include personal watercraft? If so, the personal watercraft registrations should be removed, because they skew the numbers in favor of smaller slips for vessels that do not require small boat slips.
- 10. Page 37: It is inconsistent with the recommendations of this study that the existing dry storage on parcel 77 should be eliminated. Given the lower costs associated with the existing storage facility on this parcel, it would appear that the sensible recommendation is to retain this existing use.
- 11. Page 37: The report identifies Parcel 52/GG to provide dry stack storage for 349 boats and Parcel 44 to provide the same for 234 boats. Together, these two proposed dry stack storage facilities would provide more than half of Marina del Rey's total dry slips. These two projects are speculative in nature as they face many hurdles in obtaining entitlements in a protracted discretionary process, to say nothing of potential financing challenges.
- 12. The report has not addressed supportive landside services on marine/commercial properties to facilitate the use of visitor-serving commercial operations such as FantaSea Yacht and Hornblower. We recommend that the report discussion on the future marina should focus on providing these necessary supportive landside facilities for operators, large and small, who have licensed businesses.

Marina del Rey Slip Pricing and Vacancy Study

- Page 1: Under "Key Findings of the Noble Consultants Report," the word "proposed" should precede "dry storages for smaller boats" in the last sentence of the first paragraph. This is important given the speculative nature of the two proposed dry storage facilities, which (as stated above under Item 11) still face considerable economic and entitlement challenges.
- Page 8: Boat yards and other marina operators do not maintain vacancy to accommodate customers or for the purpose of other collateral uses. Other than minimal staging areas for haul out, all slips are rented to slip tenants and/or leased to sub-tenants.
- 3. Page 9: The difference between the so called "Independently priced marinas" and other marinas seems to be overblown. It is our experience that all marina slips compete with all other marina slips based upon their individual

characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

As an Interested party to the redevelopment of Marina del Rey to serve our boating community and to enhance our recreational facilities, the Marina del Rey Lessees Association appreciates the independent study efforts that will assist in rebuilding our marinas to modern standards. We believe that these reports substantiate, to a large degree, what other studies have previously found, namely that Marina del Rey is in line with the marketplace and that the trend is to larger wet slips.

We look forward to working with the County as these studies move forward during the public review process.

Sincerely,

David O. Levine President

(letter transmitted by email)

From:

wi [ragazza@verizon.net]

Sent:

Monday, April 06, 2009 10:33 PM

To:

Paul Wong

Subject: Comments to Draft Slip Pricing and Vacancy Report

To Whom it May Concern:

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Would the county consider leasing parts of Griffith Park, or developing condos at Dockweiler Beach? No, because these are public assets meant for the ENTIRE populace of LA County to enjoy. MDR should be viewed just the same. You can't put a price on the only county recreational boating area for millions of county residents. By allowing these unjustifiable increases, that is exactly what is happening.

Thank you for your time. I hope you'll strongly consider my views.

Sincerely,

Wesley and Lynda Little 41163 Rimfield Dr Palmdale CA 93551

RAYMOND J FISHER 13080 MINDANAO WAY #98 MARINA DEL REY, CA. 90292

TEL: (310) 823-4488 FAX (310)823-8559

E-Mail: raymondifisher@gmail.com or ray@starbizmgmt.com

Via mail Via fax (31)821-6345

March 15, 2009

Santos H. Kreimann Director
Los Angeles County Beaches & Harbor
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I would like the opportunity to set forth in writing my points, evaluation, and comments in writing to be sure that my feelings and comments are of a more permanent record. I would firstly like to commend you with for your work in what seems to be a very difficult matter. I feel that you will most likely make some much needed changes and improvements as expeditiously as possible.

I have been a tenant of Marina Del Rey Hotel Slips since 1988. I have a 48ft Yacht and consider myself a "large boat owner" in fact I have been trying to purchase a larger boat (70" for a number of years).

I also feel that way to much attention is given to "small boat owners" It seems nothing gets done because of inaccurate outrage of small boat owners not being able to find a slip. I know for a fact there are always vacancies for small boat owners and in fact it seems now and your survey proves it. The small boat owner has more than enough availability. The large boat owner must be given some input and consideration in this matter

Page 2 of 2 March 15, 2009 Sautos H. Kreimann Director

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What I am upset is that, they/you can increase the rent stating they will be replacing the docks OR replacing the docks THEN raising the rent. YOU CANNOT DO BOTH!!!!!!

I have had a number of conversations with Jim Hayes the V.P. of operations for Almar who seems to be also frustrated and get the feeling that their "hands are tied" as they need approval from the County. If this is true and based on the meeting last week I must make you aware the County is jeopardizing a major asset in income revenue and tourist appeal in a major way. Its time to maker this marina the "showcase" it should be. This alone will substantially increase revenues for the County. I am getting the feeling and taking to other boaters they are getting tired of "nothing being done" for 20 years and will either move their boat to another marina or possibly give up boating.

As now a retired accountant /business manager, while I appreciate the "survey" I find that it only gives an indication of the status. As an accountant I have many times been asked the question. What is two plus two? My answer is "what do you want it to be! I find that the survey should have made adjustments for Newport as it is a very affluent area plus it should include San Diego area due to substantial amount of docks, slips & boats. Also San Francisco area is not competible and should be eliminated.

Lastly I would like to offer my services, (obviously gratis) to assist in this seems to be a "monumental task" I have many contacts City, County & Federal that maybe of some assistance in this matter. Maybe some of the promised "stimulus monies "that we all need can be used to expedite this matter.

Respectfully submitted

Raymend J Fisher

From:

andy bessette [bessette_andy@yahoo.com]

Sent:

Wednesday, April 22, 2009 10:05 AM

To:

Paul Wong

Subject:

slip size and pricing studies

. Follow Up Flag: Follow up

Flag Status:

Red

Hello Paul,

following are my comments regarding the recent slip size and pricing studies:

These studies are a complete fabrication, ordered virtually word-for-word by the developers, purposely laden with misinformation, erroneous data and conclusions, their principle intent being to mislead the public and lend credence to the county's pitiful planning, cover-up their price gouging, and hide the decimation of small boat slips and the gentrification of this marina. The pricing study does not represent what is now being paid by slip renters, but has been created to increase the lessees' property values and force out the boaters of normal or modest means.

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Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association

Comments Food Gregory F. Schem

Noble Study:

- 1. Page 1: Bullet point # 4: The report states that "more boats in the 30 foot length and less category are moving to dry boat storage". Where is the back up for this conclusion? How many more boats are we talking about? Since there have been very few new dry storage facilitates constructed within the market area, has the study included nationwide data outside of the market? If so, is this relevant to Marina del Rey.
- 2. Page 2: Table: Does this mean that an individual marina should not have any slips under 30 feet when re-developed? But if the combined percentage is recommended to b 30% or less, then how do we get there?
- 3. Page 2: in Since the Coastal Commission has recommended eliminating the Funnel Concept, and the recreational boating groups and environmental groups are opposed to it, then perhaps it should not be mentioned as a viable alternative.
- 4. Page 3: Bullet point #1: We should insert the word "substantially" before "meet the minimum requirements..." as they are actually just guidelines and not requirements. By providing some flexibility, major changes in configuration may not become necessary in order to comply. This may provide a very cost effective solution for maintaining existing slip counts. It only makes sense that guidelines maintain more flexibility then specific requirements.
- 5. Page 4: Where has Marina del Rey become a "role model" for other urban marinas throughout the world"? This seems overly presumptive for a factual report.
- 6. Page 6: The proposed slip count relies in the proposed dry stack projects at parcel 53 and 44 actually being constructed. Should these not be constructed the slip count will be reduced to 4,871 rather than to 5,343 resulting in a 677 slip reduction representing a 12.2% decrease. Since these projects are far from even obtaining their basic entitlements and CEQA review, this study should not assume their completion is a fait accompli in its analysis of the base case. Most importantly, since the total slip count is the very basis of this reports fundamental conclusions, the validity and likelihood of these assumptions should be clearly set forth.
- 7. Page 7: It is important to note that only the currently proposed slip reconfigurations are included in this report. There are four marinas representing 894 slips which will have to reconfigure in the next few years. In addition, there are two other marinas which reconfigured in the 1980's which will be up for reconfiguration in the next decade representing 526 slips. Together, this represents 1,420 slips or 27% of the marina which is not included in this study. The reconfiguration of these marinas will likely involve a similar reduction in boat slips and an increase in length as discussed in this report.
- 8. Page 37: It is inconsistent with the recommendations of this study that the existing dry storage on parcel 77 should be eliminated. Given the lower costs associated with the existing storage facility on this parcel, I would think the author would recommend retaining this use.

ADK&A Report:

1. Page 1: The word "proposed" should precede "dry storage facilities for smaller boats" in second paragraph under Key Findings. This is important given the speculative nature of the two dry

Grag Schem, pe

storage facilities which (as stated above) still face considerable economic and entitlement challenges.

- 2. Page 8: Boat yards (and I suspect hotels as well) do not maintain vacancy to accommodate customers and never have. Other than minimal staging areas for haul out, all slips are rented to slip tenants and/or leased to sub-tenants.
- 3. Page 9: The difference between the so called "independently priced marinas" and other marinas seems to be over blown. It is our experience that all marina slips compete with all other marina slips based upon their individual characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

Marina del Rey Lessees Association

C/o Mr. Timothy C. Riley, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402 Telephone: 818-891-0495; FAX: 818-891-1058

April 21, 2009

Mr. Santos Kreimann Director Department of Beaches and Harbors 13837 Fiji Way Marina del Rey, CA 90292

Re:

Marina del Rey Slip Sizing Study

Marina del Rey Slip Pricing and Vacancy Study

Dear Mr. Kreimann:

The Marina del Rey Lessees Association submits the following comments, questions and suggestions in the matter of the above-referenced studies commissioned by the County of Los Angeles Department of Beaches and Harbors.

Marina del Rey Silp Sizina Study:

- 1. Page 1: Bullet point # 4: The report states that "more boats in the 30 foot length and less category are moving to dry boat storage". While we concur that a greater number of smaller boats should be placed in dry stack storage, we do not find that the report provides sufficient data to reach this conclusion. The consultant should be asked to quantify the number of boats under 30 feet that are moving to dry stack storage. Since there have been very few new dry storage facilitates constructed within the market area, has the study included nationwide data outside of the market? If so, is this relevant to Marina del Rey?
- 2. Page 2: Table: We believe the Table requires more clarity. Does this Table mean that an individual marina should not have any slips under 30 feet when redeveloped? But if the combined percentage is recommended to be 30% or less, how is this achieved? If the first marinas to be redeveloped drop all boat slips under 30 feet, then do the last marinas to be developed take the entire burden of providing the under 30 foot slips in order to maintain the 30% ratio? What does the Table mean by saying 30% of the combined percentage for all MDR marinas is 30% for 30 feet and under? Does this include dry slips? What does it mean that the Table shows an apparently uneven redistribution of the percentages for the maximum case percentage for individual marinas? For instance, the 11% of slips 50 feet and over remains static, while all other categories 30 feet and above are adjusted upward.

- 3. The Table on page 2, along with the associated recommendations outlined in the Executive Summary, also fails to account for the fact that several anchorages, acting upon prior County policies, have already submitted proposals which minimize the potential for reconfiguration. The County has reserved the highest proportion of larger slips to those future projects which were not required to respond to prior invitations for Lease Extensions, and the County should reconsider the practical application of this policy.
- 4. Page 2: Since the Coastal Commission has recommended eliminating the Funnel Concept, and the recreational boating groups and environmental groups are opposed to it, then perhaps it should not be mentioned as a viable alternative.
- 5. Page 3: Bullet point #1: We should insert the word "substantially" before "meet the minimum requirements..." as the DBAW guidelines and the County's design criteria for Marina del Rey are actually just guidelines and not requirements. By providing some flexibility, major changes in configuration may not become necessary in order to comply. This may provide a very cost effective solution for maintaining existing slip counts. It only makes sense that guidelines maintain more flexibility then specific requirements.
- 6. Page 4: Where has Marina del Rey become a "role model" for other urban marinas throughout the world"? While we appreciate the uniqueness of Marina del Rey and its appeal to boaters, this type of presumptuous comment seems inappropriate for a factual report unless it is supported by a number of specific examples that could be cited.
- 7. Page 6: The proposed slip count relies on the proposed dry stack projects at parcel 53 and 44 actually being constructed. Should these not be constructed the slip count will be reduced to 4,871 rather than to 5,343, resulting in a 677 slip reduction that represents a 12.2% decrease. Since these proposed dry stack projects are far from even obtaining their basic entitlements and CEQA review, this study should not assume their completion is a fait accompli in its analysis of the base case. Most importantly, since the total slip count is the very basis of this report's fundamental conclusions, the validity and likelihood of these assumptions should be clearly set forth.
- 8. Page 7: It is important to note that <u>only</u> the currently proposed slip reconfigurations are included in this report. There are four marinas representing 894 slips which will have to be reconfigured in the next few years. In addition, there are two other marinas reconfigured in the 1980's which will be up for reconfiguration in the next decade, representing another 526 slips. Together, these marinas represent a total of 1,420 slips or 27% of the marina which is not included in this study. The reconfiguration of these marinas will likely involve a

similar reduction in boat slips and an increase in length as discussed in this report.

- 9. Page 25: Boat registration number change by size categories. Do these numbers of registrations for smaller boats include personal watercraft? If so, the personal watercraft registrations should be removed, because they skew the numbers in favor of smaller slips for vessels that do not require small boat slips.
- 10. Page 37: It is inconsistent with the recommendations of this study that the existing dry storage on parcel 77 should be eliminated. Given the lower costs associated with the existing storage facility on this parcel, it would appear that the sensible recommendation is to retain this existing use.
- 11. Page 37: The report Identifies Parcel 52/GG to provide dry stack storage for 349 boats and Parcel 44 to provide the same for 234 boats. Together, these two proposed dry stack storage facilities would provide more than half of Marina del Rey's total dry slips. These two projects are speculative in nature as they face many hurdles in obtaining entitlements in a protracted discretionary process, to say nothing of potential financing challenges.
- 12. The report has not addressed supportive landside services on marine/commercial properties to facilitate the use of visitor-serving commercial operations such as FantaSea Yacht and Hornblower. We recommend that the report discussion on the future marina should focus on providing these necessary supportive landside facilities for operators, large and small, who have ilcensed businesses.

Marina del Rev Slip Pricing and Vacancy Study

- 1. Page 1: Under "Key Findings of the Noble Consultants Report," the word "proposed" should precede "dry storages for smaller boats" in the last sentence of the first paragraph. This is important given the speculative nature of the two proposed dry storage facilities, which (as stated above under Item 11) still face considerable economic and entitlement challenges.
- Page 6: Boat yards and other marina operators do not maintain vacancy to accommodate customers or for the purpose of other collateral uses. Other than minimal staging areas for haul out, all slips are rented to slip tenants and/or leased to sub-tenants.
- 3. Page 9: The difference between the so called "independently priced marinas" and other marinas seems to be overblown. It is our experience that all marina slips compete with all other marina slips based upon their individual.

characteristics and amenities and not based upon whether there is a related upland business. This distinction should be further studied for its validity.

As an interested party to the redevelopment of Marina del Rey to serve our boating community and to enhance our recreational facilities, the Marina del Rey Lessees Association appreciates the Independent study efforts that will assist in rebuilding our marinas to modern standards. We believe that these reports substantiate, to a large degree, what other studies have previously found, namely that Marina del Rey is in line with the marketplace and that the trend is to larger wet slips.

We look forward to working with the County as these studies move forward during the public review process.

Sincerely,

David O. Levine President

(letter transmitted by email)

From: wi [ragazza@verizon.net]

Sent: Monday, April 06, 2009 10:33 PM

To: Paul Wong

Subject: Comments to Draft Slip Pricing and Vacancy Report

To Whom it May Concern:

I would like to offer our household's comments regarding the issue of slip pricing in Marina Del Rey.

I have kept saliboats in the marina since 1986. Initially in the county's mast-up storage, and then subsequently in 1997 at the Marina Del Rey Hotel Marina.

Over the last 22 months. I have watched my current leaseholder; Almar, increase my rent by 39%. Has the CPI risen by that much? Have groceries increased by that much? Has anything (Including salaries) increased by that much over such a short period of time? Why then, does the county allow this kind of price gouging?

The current proposed rate of \$477/mo for a 30' slip exceeds the costs for similar-sized slips in five other marinas both in MDR and in King Harbor. This is not fair-market pricing, but rather a means to force out the "Little guy" and replace him with more and more of the wealthy few who keep a boat as a business expense, and use it very little. Excess profiteering appears to be the other possible motive behind these increases. Have any of the prior four increases been used to upgrade this LA County asset? I haven't seen one change other than flowers in the bathrooms. The showers are still disgusting mildew-ridden spaces, and the docks are incredibly old and uneven.

Would the county consider leasing parts of Griffith Park, or developing condos at Dockweiler Beach? No, because these are public assets meant for the ENTIRE populace of LA County to enjoy. MDR should be viewed just the same. You can't put a price on the only county recreational boating area for millions of county residents. By allowing these unjustifiable increases, that is exactly what is happening.

Thank you for your time. I hope you'll strongly consider my views.

Sincerely,

Wesley and Lynda Little 41163 Rimfield Dr Palmdale CA 93551

RAYMOND J FISHER 13080 MINDANAO WAY #98 MARINA DEL REY, CA. 90292

TEL: (310) 823-4488 FAX (310)823-8559

E-Mail: raymondifisher@gmail.com or ray@starbizmgmt.com

Via mail Via fax (31)821-6345

March 15, 2009

Sentos H. Kreimann Director
Los Angeles County Beaches & Harbor
13837 Piji Way
Marina Del Rey
California 90292

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Dear Mr Kreimann:

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I would like the opportunity to set forth in writing my points, evaluation, and comments in writing to be sure that my feelings and comments are of a more permanent record. I would firstly like to commend you with for your work in what seems to be a very difficult matter. I feel that you will most likely make some much needed changes and improvements as expeditiously as possible.

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I also feel that way to much attention is given to "small boat owners" It seems nothing gots done because of inaccurate outrage of small boat owners not being able to find a slip. I know for a fact there are always vacancies for small boat owners and in fact it seems now and your survey proves it. The small boat owner has more than enough availability. The large boat owner must be given some input and consideration in this matter

Page 2 of 2 March 15, 2009 Santos H. Kreimann Director

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What I am upset is that, they/you can increase the rent stating they will be replacing the docks OR replacing the docks THEN raising the rent, YOU CANNOT DO BOTH!!!!!!

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As now a retired accountant /business manager, while I appreciate the "survey" I find that it only gives an indication of the status. As an accountant I have many times been asked the question. What is two plus two? My answer is "what do you want it to be! I find that the survey should have made adjustments for Newport as it is a very affluent area plus it should include San Diego area due to substantial amount of docks, slips & boats. Also San Francisco area is not compatible and should be climinated.

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Respectfully submitted

Raymend J Fisher

From:

andy bessette [bessette_andy@yahoo.com]

Sent:

Wednesday, April 22, 2009 10:05 AM

To:

Paul Wond

Subject:

slip size and pricing studies

Follow Up Flag: Follow up

Flag Status:

Red

Hello Paul,

following are my comments regarding the recent slip size and pricing studies:

These studies are a complete fabrication, ordered virtually word-for-word by the developers, purposely laden with misinformation, erroneous data and conclusions, their principle intent being to mislead the public and lend credence to the county's pitiful planning, cover-up their price gouging, and hide the decimation of small boat slips and the gentrification of this marina. The pricing study does not represent what is now being paid by slip renters, but has been created to increase the lessees' property values and force out the boaters of normal or modest means.

The sizing study has been written to deliberately hide the true numbers of slips lost due to the developers' land-grabbing of the related boat-owner parking; to disguise the county's failure to honestly manage this marina; and to glorify the developers' rapacious redevelopment plans. In a word, it shows to what lengths the county is willing to stoop...in their desperation for money. And it showcases the level of corruption which has become "acceptable" to the leaders of our unfortunate community, and their indifference to the needs of the boaters for whom the marina was built.

Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association





Santos H. Kreimann

Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Gregory F. Schem, Managing Director Harbor Real Estate, L.P. 13555 Fiji Way Marina Del Rey, CA 90292

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Schem:

We are in receipt of your e-mail setting forth your comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We have reviewed your comments and have forwarded them to our consultants for their review. If our consultants find the data and information you provided to us useful, they will include it in the studies. Also, we intend to request our consultants to attach your comments to the studies as an exhibit.

Thank you for your input.

Very truly yours,

SANTOS H. KREIMANN, DIRECTOR

Paul Wong, Chief





Santos H. Krelmann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. David O. Levine, President Marina Del Rey Lessees Association c/o Mr. Timothy C. Riley, Executive Director 8537 Wakefield Avenue Panorama City, CA 91402

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Levine:

We are in receipt of your April 21, 2009, letter setting forth your comments, questions, and suggestions regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We have reviewed your data, comments, and suggestions and have forwarded them to our consultants for their review. If our consultants find the data and information you provided to us useful, they will include it in the studies. Also, we intend to request the consultants to attach your comments to the studies as an exhibit.

Thank you for your input.

Very truly yours.

SANTOS H. KREMANN, DIRECTOR

Paul Wong, Chief





Santos H. Kreimann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Wesley Little and Mrs. Lynda Little 41163 Rimfield Drive Palmdale, CA 93551

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. and Mrs. Little:

Thank you for submitting comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. We appreciate your participation in the public comments portion of the two above-mentioned studies. We intend to request the consultants to attach your comments to the studies as an exhibit. Your specific concerns regarding your slip fee increase were addressed in a separate letter sent to you on March 26, 2009.

Thank you for your input.

Very truly yours,

SANTOS H KREIMANN, DIRECTOR

Paul Wong, Chief



To enrich lives through effective and caring service



Santos H. Kreimann Director

Kerry Silverstrom Chief Deputy

May 4, 2009

Mr. Raymond J. Fisher 13080 Mindanao #98 Marina Del Rey, CA 90292

COMMENTS REGARDING MARINA DEL REY SLIP SIZING STUDY AND MARINA DEL REY SLIP PRICING AND VACANCY STUDY

Dear Mr. Fisher:

Thank you for your participation with the public review portion of the two abovementioned studies. Specifically, we appreciate you for coming to the March 11, 2009, meeting and for your March 15, 2009, letter setting forth your comments regarding the Marina Del Rey Slip Sizing Study and the Marina Del Rey Slip Pricing and Vacancy Study. It is very important for us to hear from the public, and we appreciate individuals like you who take the time to come forward with comments.

We intend to request our consultants to attach your comments set forth in your letter as an exhibit to the studies. Thank you again for your participation.

Very truly yours.

SANTOS H. KREIMANN, DIRECTOR

Paul Wong, Chief

Asset Management Division

Paul Wong

From:

Paul Wong

Sent:

Wednesday, May 06, 2009 7:53 AM

To:

'andy bessette'

Subject: RE: slip size and pricing studies

Hello, Andy:

We have received your comments regarding the Marina del Rey Slip Sizing Study and the Marina del Rey Slip Pricing and Vacancy Study. We intend to request the consultants to attach your comments to the studies as an exhibit.

Paul Wong (310) 305-9512

From: andy bessette [mailto:bessette_andy@yahoo.com]

Sent: Wednesday, April 22, 2009 10:05 AM

To: Paul Wong

Subject: slip size and pricing studies

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Shame on you all.

Respectfully,

Andy Bessette Marina Boatowners Association



To enrich lives through effective and caring service

June 4, 2009

Santos H. Kreimann

Director

Kerry Silverstrom Chief Deputy

TO: Small Craft Harbor Commission

FROM: Santos H. Kreimann, Director

SUBJECT: ITEM 4b - DOCK RECONFIGURATION PLAN FOR CHACE PARK

PENINSULA

The Dock Reconfiguration Plan for Chace Park Peninsula was on your Commission's May 13, 2009 agenda. Although your Commission decided to hold the item for discussion in June, the public was given the opportunity to comment, and a number of people spoke on the matter.

As a reminder, this dock reconfiguration plan includes the water area of Parcels EE (Chace Park), 45 (waterside area to be acquired from Parcel 44 lessee), 47 (former Santa Monica Windjammers Yacht Club docks), 48 (The Boathouse), 77, and 49 (launch ramp docks). All of the existing docks are to be replaced with new modern concrete docks in a phased replacement program to be carried out over several years. Due to the poor condition of the existing slips, the first phase will begin with the westerly end of Parcel 47 and continue in phases to the easterly end of Parcel 45, with the current slips at Parcels EE, 48 and 77 to follow. Timing for reconstruction of the launch ramps at Parcel 49 is contingent on funding, which is presently being pursued.

Parcels 45 and 47 currently contain 332 slips, 110 of which are in double slips (55) double slips), and have an average slip size of 27.33 feet. The proposed plan increases the average slip size to 37 feet and reduces the number of slips to 188 slips, resulting in a loss of 144 smaller slips. This loss of slips can be attributed to a number of factors, including increased access as required by the Americans with Disability Act; wider slip widths and fairways as required by the Department of Boating and Waterways; and the fact that nearly all of the slips in Parcel 45 are 30 feet and under, with most of these slips configured as obsolete double slips. These factors have caused the loss of slips as well as the loss of one dock each in both Parcel 45 and Parcel 47.

The County-operated transient slips in Parcel EE will be reconfigured and expanded from 23 existing slips to thirty 32-foot slips, 12 of which will be located on the adjacent Parcel 48 and are currently only available to the Department and the Sea Scouts. Also, there will be an additional fourteen 57-foot slips available at Parcel EE for month-tomonth use in the future. An additional 190 feet of side tie dock space will be added at Parcel EE for a total of 550 feet, which will be used to accommodate larger transient boats and summer season WaterBus docking. At Parcel 48, a 140-foot side tie dock

Item 4b Small Craft Harbor Commission June 4, 2009 Page 2

will be available for four-hour transient use and another 142-foot side tie will be available for other purposes.

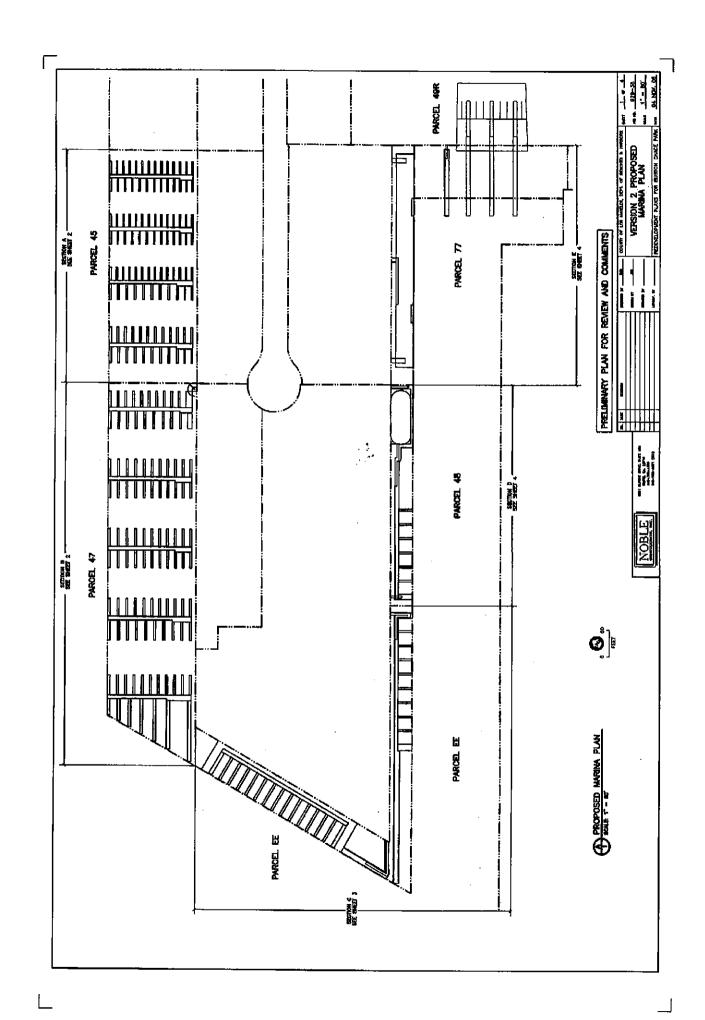
Parcel 77 originally had fourteen 28-foot slips that were removed over ten years ago, well before the County gained control of the parcel; the one remaining dock will be replaced with a 485-foot floating dock that can store up to 20 rowing shells from 25 feet to 65 feet long and 162 small boats up to 18 feet long in a system of racks built on the dock, which will allow for easy launching and retrieval. This space will be available for both public month-to-month use and Department program use.

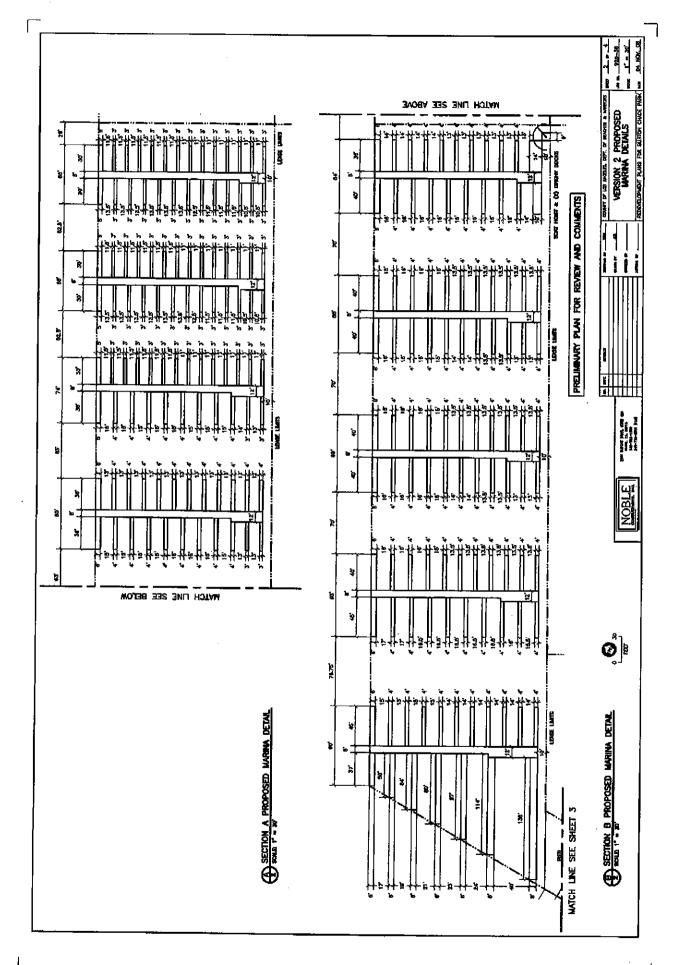
Finally, the Department proposes to add a fourth dock at the Parcel 49 launch ramp that can be used as a dinghy dock or a staging dock.

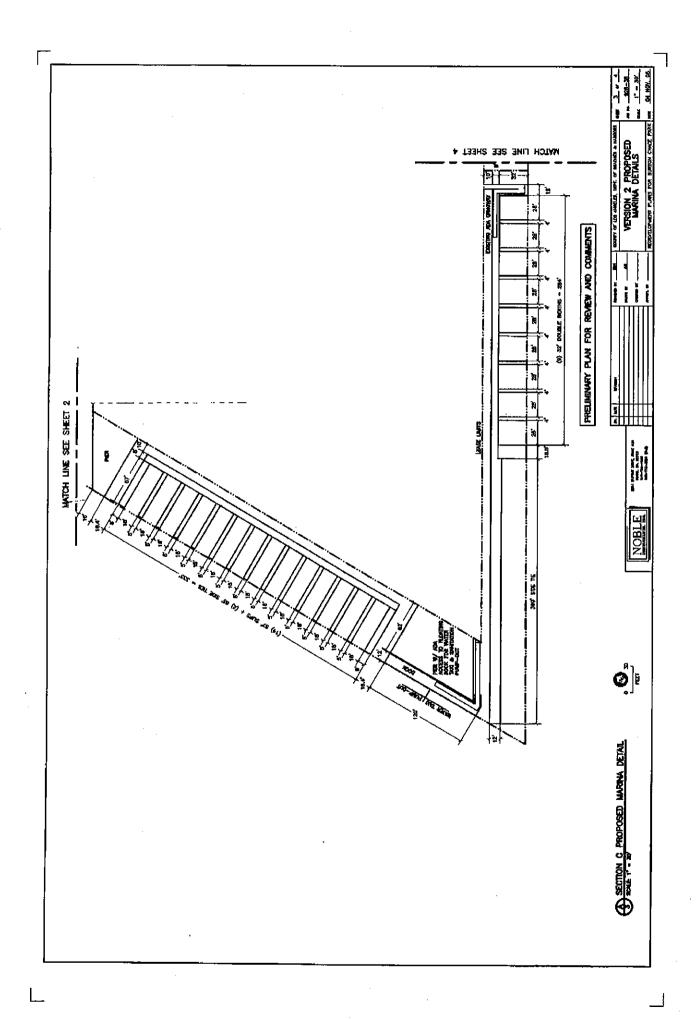
We request that your Commission find that the proposed dock configuration plan for Chace Park peninsula is in conformance with the recommendations as set forth in the Slip Sizing Study report and that it is an appropriate plan that provides slips for small, medium and large boats, expands the transient dock capacity, and expands affordable boating uses in the marina including increased capacity for rowing and personal water crafts.

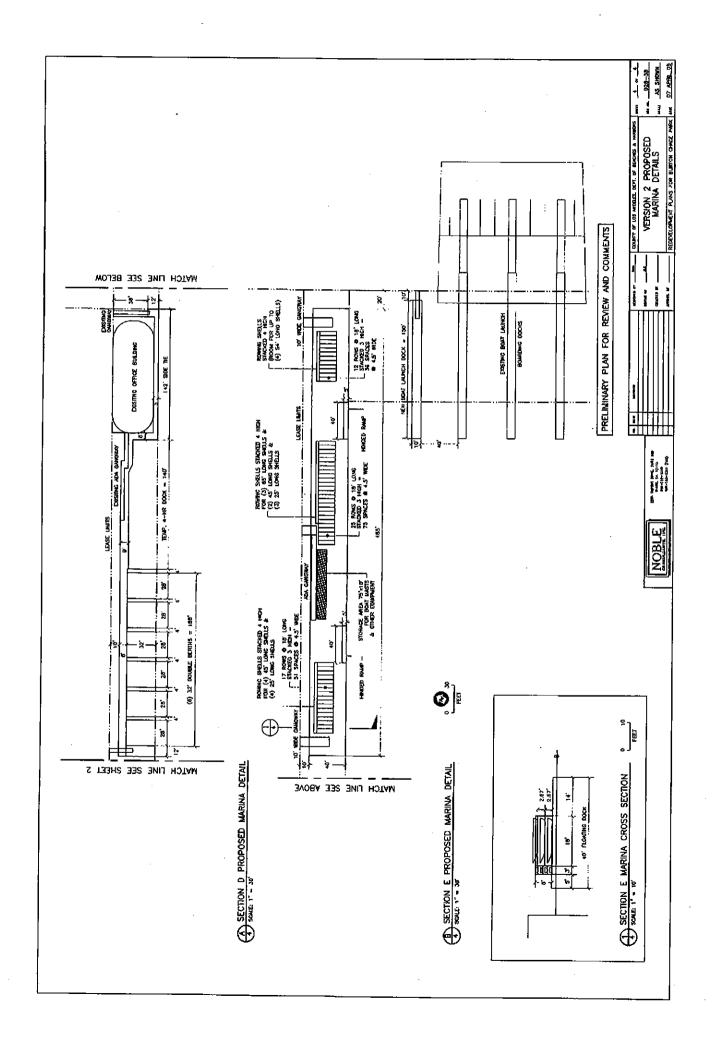
SHK:pw

Exhibit (1)











To enrich lives through effective and caring service



Santos H. Kreimann

Director

Kerry Silverstrom Chief Deputy

June 4, 2009

TO:

Small Craft Harbor Commission

FROM:

Santos H. Kreimann, Director

SUBJECT: ITEM 5a - APPROVAL OF AMENDMENT NO. 1 TO LEASE

NO. 75629 - PARCEL 1S (FUEL DOCK) - MARINA DEL REY

Item 5a on your agenda pertains to an amendment to the Parcel 1S (Fuel Dock) lease that confirms the lessee's exercise of its option to extend the term of the lease for an additional 55 years, changes the rent structure for fuel sales from a percentage of gross receipts to a flat fee of \$.15 per gallon, and incorporates revised site and development plans.

Attached is a copy of the Board letter that explains the details of the proposed lease amendment. A copy of the proposed lease amendment is attached as an exhibit to the Board letter.

Your Commission's endorsement of the Director's recommendation to the Board of Supervisors to approve the proposed amendment as contained in the attached letter is requested.

SHK:ks Attachment (1) June 30, 2009

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

DEPARTMENT OF BEACHES AND HARBORS:
APPROVAL OF AMENDMENT NO. 1 TO LEASE NO. 75629
PARCEL 1S (FUEL DOCK) - MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)

SUBJECT

Request approval of a lease amendment that confirms the lessee's exercise of its option to extend the term of the Parcel 1S (Fuel Dock) lease for an additional 55 years, changes the rent structure for fuel sales from a percentage of gross receipts to a flat fee of \$.15 per gallon, approves a change in ownership structure of the lessee, and incorporates revised site and development plans.

IT IS RECOMMENDED THAT YOUR BOARD:

- Find that the Regional Planning Commission, acting on behalf of the County, has previously considered and adopted a negative declaration for the proposed landside redevelopment/replacement project contemplated by Amendment No. 1 to Lease with respect to Parcel 1S (Fuel Dock), attached as Exhibit A, and that the Executive Officer of the Coastal Commission determined that the waterside redevelopment/replacement project involves no potential for any adverse effect, either individually or cumulatively, on coastal resources and is consistent with the policies of section 30200, et seq. of the Coastal Act.
- 2. Authorize the Chairman to execute the attached Amendment No. 1 to Lease to: a) grant an extension of the option date to a date concurrent with your Board's approval of Amendment No. 1; b) acknowledge the

satisfaction by Lessee or waiver by County of all conditions to exercise of the option; c) accept and acknowledge the valid, timely and proper exercise of the option by lessee; d) extend the term of the existing lease on Parcel 1S by 55 years to enable redevelopment of the improvements thereon; e) approval and incorporation of the change in ownership of the Lessee; f) modify certain other terms and provisions of the Lease relating to rent and the redevelopment work.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Pursuant to exclusive negotiations authorized by your Board on April 5, 2005, a new five-year lease ("Lease") was negotiated with a new lessee entity. Del Rey Fuel, LLC, a California limited liability corporation ("Lessee"), for Parcel 1S (Fuel Dock), which includes a redevelopment program for the leasehold subject to several conditions, including the following: any landside development be limited in height to that of the existing structure, food service be limited to takeout service only, and the new development remain within the leasehold parcel boundaries. Simultaneously, your Board granted an Option to Amend Lease Agreement ("Option") to extend the term of the Lease by 55 years upon demonstration that the Lessee had satisfied all of the conditions for exercise contained in the Option, including receipt of all planning, zoning, environmental, and other entitlement approvals required to be obtained from governmental authorities for the construction of the development project. Unlike the structure of most of the Marina redevelopment leasehold deals, which require an option to be exercised before an amended and restated lease is executed, the County executed the short term (five-year) Lease concurrent with the Option to facilitate the provision by Lessee to the boating public of uninterrupted fueling services while it pursued its development approvals.

The Option expiration date, after extensions by both the Director of the Department of Beaches and Harbors ("Director") and your Board, was May 2, 2009. During the entitlement process, Lessee has worked diligently to obtain the necessary entitlements to permit the exercise of the Option but has encountered delays in securing financing for the project due to the current economic crisis. Almost all marina lenders have exited the market and, as a result, Lessee has been unable to obtain a construction loan commitment.

To avoid loss of the Option to extend the lease, Lessee has negotiated financing with SCM Del Rey Partners, LLC to contribute equity (instead of the more traditional construction loan) and has negotiated a change in ownership of Lessee to add SCM Del Rey Partners, LLC as a new member of the Lessee limited liability company with a 50% interest therein, so as to be able to commence redevelopment of the project in a timely manner. The Department of Beaches and Harbors has reviewed the change of ownership in accordance with the assignment standards of the Lease, including a review of the new member's financial condition, and recommends approval thereof.

The Honorable Board of Supervisors June 30, 2009 Page 3

Negotiations between Lessee and SCM Del Rey Partners, LLC have taken longer than anticipated. As a result, Lessee was unable to provide evidence of its financing until after the May 2, 2009 expiration of the Option. Lessee has requested an extension of the outside date to exercise the Option to a date concurrent with your Board's approval of the Amendment No. 1 to Lease ("Amendment No. 1").

Additionally, to satisfy underwriting requirements in today's financial market for permanent financing and to bring the rental structure more in conformity with current rent structures for fuel docks in Southern California, Lessee has proposed changing the rent structure for gross receipts generated by the sale of fuel from a percentage rent (6% of gross revenues) to a flat fee of \$.15 per gallon, effective upon completion of the redevelopment. All other revenue will be subject to the same percentage rents as were previously approved. The County's economic consultant has reviewed and analyzed the requested change and has concluded that the impact to the County will be relatively minor at current market prices, even allowing for some further increase in fuel prices. The consultant also stated that whatever minor and possibly temporary ground rent savings that might accrue to Lessee from the change in rent structure, they would represent only a minor fraction of the substantially increased construction costs the Lessee will incur to comply with much more stringent fuel delivery regulations enacted subsequent to Lessee's entering into the Option. Furthermore, County's economic consultant points out that the economics of fuel operations and the wide practice in public marinas of charging a fixed rent per gallon of fuel sold both suggest that a recurrence of high fuel prices would not enrich the Lessee at County expense, because dollar profit margins tend to remain constant but unit sales tend to decrease, resulting in a decline in Lessee's total dollar profits.

An additional important non-economic factor in determining whether to implement the change in the rent structure is that a fuel dock is a critical service facility to boaters in a marina. Without a fuel dock, boaters will be required to travel to other marinas to buy fuel, which will make Marina del Rey less attractive as a convenient, low cost place for recreational boating.

Upon satisfaction of all the conditions set forth in the Option, the Option provides that Amendment No. 1 will be executed to memorialize the exercise of the option to extend the term. The changes discussed above are included in Amendment No. 1 that your Board is now being requested to approve. Other changes included in Amendment No. 1 are: a) a revised site plan and development plan; b) a new legal description to reflect the actual footprint of the fuel dock (as the original dock was constructed outside the legal boundaries of the parcel); c) elimination of the requirement that Lessee obtain its building permit prior to exercise of the Option, in order to accommodate the required timing for the admission of Lessee's new equity member; and d) an extension of the existing lease reversion provisions to provide that if Lessee fails to commence construction within 120 days of its exercise of the Option, then, at County's election, the

The Honorable Board of Supervisors June 30, 2009 Page 4

lease termination date will automatically revert back to April 30, 2011, the extension will terminate, and Lessee will have no right to redevelop the parcel.

Implementation of Strategic Plan Goals

The recommended action will allow the Lessee to proactively redevelop its leasehold improvements, which will result in fulfillment of Strategic Plan Goal No. 1, "Operational Effectiveness", as the project will provide a sustained financial resource to the County, and Strategic Goal No. 3, "Community and Marketing Services", as the redevelopment will provide a convenient place for boaters to refuel the vessels.

FISCAL IMPACT/FINANCING

Parcel 1S paid a total rent of \$261,310 for Fiscal Year (FY) 2007-08. Annual rent to the County is projected to reach \$244,000 at stabilization, a 6% decrease in rent from the FY 2007-08 level. The reason for the decrease in rent is that FY 2007-08 was a time of historically high fuel prices from which the County received more rent than anticipated. Our economic consultant notes that even with no change in fuel sales rent (from percentage rent to a flat fee rental structure), total County rent from the sale of fuel would still decline due to the fall in fuel prices.

Operating Budget Impact

There is no operating budget impact as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the Lease for Parcel 1S commenced on May 10, 2006 and currently expires on April 30, 2011. Upon execution and delivery of Amendment No. 1, the term of the Lease will be extended to April 30, 2066.

Lessee is an entity established jointly by Harbor Real Estate Limited Partnership, a Delaware partnership, the current lessee of Parcel 53 (The BoatYard), and Westrec Marina Management, Inc., a California corporation.

Extension of the existing Lease is authorized by Government Code Sections 25907 and 25536. The extended lease term does not exceed the maximum 99-year period authorized by California law.

At its meeting of June 10, 2009, the Small Craft Harbor Commission _____ the Director's recommendation that your Board approve the attached Amendment No. 1, which has been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

On March 24, 2008, the Executive Director of the Coastal Commission issued a waiver of Coastal Development Permit ("CDP") requirements for the waterside redevelopment/replacement project, having determined that the waterside project involves no potential for any adverse effect, either individually or cumulatively, on coastal resources and is consistent with the policies of section 30200, et seq. of the Coastal Act. On May 14, 2008, the Regional Planning Commission considered and adopted a negative declaration for the proposed redevelopment/replacement project contemplated by the Lease and Amendment No. 1 prior to approving the landside CDP and Conditional Use Permit for the project, concluding that the proposed project will have no significant effect on the environment. The proposed Amendment No. 1 does not raise any new or different environmental impacts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Please authorize the Executive Officer of the Board to send two copies of the executed Amendment No. 1 to Lease to the Department of Beaches and Harbors.

Respectfully submitted,

Santos H. Kreimann Director

SK:PW:ks

Attachments (1)

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors

AMENDMENT NO. 1 TO LEASE AGREEMENT PARCEL 1S – MARINA DEL REY SMALL CRAFT HARBOR (LEASE NO. 75629)

THIS AMENDMENT NO. 1 TO I	EASE AGREEMENT ("Amendment") is
made and entered into as of	, 2009 ("Effective Amendment Date") by
and between COUNTY OF LOS ANGELI	ES ("County") and DEL REY FUEL, LLC, a
California limited liability company ("Les	see").

RECITALS

WHEREAS, County and Lessee entered into Lease Agreement (Lease No. 75629) dated May 2, 2006 (the "Lease"), pursuant to which County leased to Lessee that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, commonly known as Parcel 1S;

WHEREAS, County and Lessee entered into Option to Amend Lease Agreement dated May 2, 2006 (the "Option Agreement"), pursuant to which County granted to Lessee an option to extend the Term of the Lease through April 30, 2066 (the "Option") upon the terms and conditions set forth in the Option Agreement;

WHEREAS, the Outside Date for the exercise by Lessee of the Option was previously extended to May 2, 2009;

WHEREAS, County and Lessee desire to enter into this Amendment to (a) acknowledge the satisfaction or waiver by County of all conditions to the exercise of the Option by Lessee; (b) acknowledge the extension of the date for Lessee's exercise of the Option until the Effective Amendment Date and permit Lessee's exercise of the Option pursuant to and in accordance with the terms of this Amendment; and (c) modify certain terms and provisions of the Lease.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows effective as of the Effective Amendment Date:

- 1. <u>Capitalized Terms</u>. All capitalized terms used in this Amendment and not otherwise defined herein shall have the same meanings given to such terms in the Lease.
- 2. Exercise of Option. The parties hereby agree that the date by which Lessee must exercise the Option is hereby extended to the Effective Amendment Date. County acknowledges that all conditions to the exercise of the Option by Lessee have been either satisfied by Lessee or waived by County. By its execution and delivery of this Amendment, Lessee hereby exercises the Option. By its execution and delivery of this Amendment, County hereby accepts and acknowledges the valid, timely and proper exercise of the Option by Lessee. From and after the Effective Amendment Date, the

"Option Effective Date" under the Option Agreement shall be the Effective Amendment Date.

- 3. <u>Extension of Term</u>. The Term of the Lease is hereby extended such that the "Expiration Date" under the Lease is amended to be 11:59 p.m. on April 30, 2066.
- 4. <u>Modification of Legal Description of Premises</u>. Exhibit A attached to the Lease is hereby replaced with the legal description attached to this Amendment as Exhibit A.
- 5. <u>Modifications to Redevelopment Work</u>. The following modifications are hereby made to the Redevelopment Work to be performed by Lessee under the Lease:
 - 5.1 Exhibit B attached to the Lease is hereby replaced with the new Development Plan attached to this Amendment as Exhibit B.
 - 5.2 Clause (b) of the first paragraph of Section 5.1 of the Lease is amended such that the number of single-loaded slips required to be constructed by Lessee is changed from 8 to that number shown on Exhibit A-1 attached to Exhibit B attached to this Amendment.
- 6. <u>Modification to Rental Rate for Sale of Fuel</u>. Conditioned upon, and effective as of the date of, the substantial completion of the Redevelopment Work, subsections 4.2.2(k) and 4.2.2(l) of the Lease are hereby amended in full and replaced with the following:
 - "(k) Fifteen cents (\$0.15) per gallon of gasoline, diesel fuel, mixed fuel or other fuel sold from or at the Premises;
 - (l) SIX PERCENT (6%) of Gross Receipts from the sale of non-fuel petroleum products from or at the Premises;"

Notwithstanding any contrary provision of Section 4.3 of the Lease, in no event shall the rental to be paid by Lessee with respect to fuel sales under subsection 4.2.2(k) of the Lease ever be readjusted pursuant to the Fair Market Rental Value adjustments under Section 4.3 of the Lease to an amount less than fifteen cents (\$0.15) per gallon, and if the actual Fair Market Rental Value attributable to fuel sales is less than fifteen cents (\$0.15) per gallon, then the restriction set forth in this sentence shall have no effect on the determination of the Fair Market Rental Value percentages for the other categories of Gross Receipts set forth in subsection 4.2.2 or the amount of any other rent payable by Lessee under the Lease.

7. <u>Modification to Capital Improvement Fund</u>. Clause (b) of the fourth paragraph of Section 5.13 of the Lease is amended in full and replaced with the following: "(b) \$0.01 per gallon of fuel sold from or at the Premises, modified (but never decreased below \$0.01 per gallon) every five (5) years after the CO Date by the

same percentage change as the percentage change in the ENR Index during the preceding five (5) year period."

- 8. Parity of Operation/Rent. County agrees that during the remaining Term of the Lease (as extended herein) it will not hereafter enter into any new lease, lease amendment, lease extension, option to lease or option for lease extension with respect to any other property owned by County located in the Marina del Rey Small Craft Harbor for the development and operation during the Term of this Lease of a fuel service dock facility serving boats or other watercraft (a "Competing Lease Transaction") by a lessee or operator (a "Competing Lessee") unless the requirements set forth in paragraphs (I), (II) and (III) below are satisfied with respect to such Competing Lease Transaction. For purposes of clarification, as of the Effective Amendment Date of this Amendment the previous lease extension option pertaining to the redevelopment of Parcels 55, 56 and W has expired by its terms. Any renewal of such lease extension option, new lease extension option, lease amendment or new lease pertaining to Parcels 55, 56 and W that would permit the lessee of Parcels 55, 56 and W to redevelop such property to include a fuel service dock facility will constitute a Competing Lease Transaction. Notwithstanding any contrary provision of this Section 8, the operation of a "fuel service dock facility" shall not include the sale or dispensing of fuel by a lessee or operator for "topping off" of small vessels used for pleasure use that are stored or occupy slips at the property from which the fuel is sold or dispensed.
 - (I) The Competing Lease Transaction shall require that the Competing Lessee's fuel service dock facility must include high-speed pumps for not less than four (4) different fuel types, except that (x) four (4) different fuel types at each individual pump shall not be required as long as facilities for such different fuel types are made available at such property in a manner so as to avoid unreasonable delay in service, and (y) with the Director's prior reasonable consent, the Competing Lessee shall have the right from time to time to provide service for less than four (4) different fuel types if less than four (4) fuel types are then used by boating consumers in the Marina del Rey Small Craft Harbor.
 - (II) The Competing Lease Transaction shall require that the Competing Lessee's fuel service dock facility shall be required to be open every day of the year for at least the minimum hours of operation approved by County from time to time, except for such holidays during which commercial businesses in Marina del Rey are customarily closed, and except to the extent the Competing Lessee is prevented from doing so due to force majeure or due to temporary interruption for maintenance and repair, renovation, alteration or improvement work, but only during the period reasonably required to complete such work.
 - (III) The Competing Lease Transaction shall require the payment of rent by the Competing Lessee with respect to fuel sales that is not less than the rent required to be paid by Lessee under this Lease with respect to fuel sales. For purposes of this paragraph (III), the amount of any rent abatement, rent deferral, rent concession or other monetary concession granted by County to the

Competing Lessee under a Competing Lease Transaction that relates or pertains to the rent payable with respect to fuel sales (as opposed to the rent payable with respect to other operations on the applicable property) shall be taken into consideration in calculating the rent payable by the Competing Lessee under such Competing Lease Transaction. However, if the improvements on the property under any Competing Lease Transaction include not only the operation of a fuel service dock facility, but also other improvements, then any rent abatement, rent deferral, rent concession or other monetary concession granted in connection with the development, use or operation of such other improvements shall not be taken into consideration for purposes of this paragraph (III).

Notwithstanding any contrary provision of this Section 8, (a) the restriction set forth in the first paragraph of this Section 8 shall be applicable (and County shall be bound thereby) only during such time as Lessee is operating its fuel service dock facility on the Premises open to the public in a manner consistent with the provisions of paragraphs (I) and (II) above and in material compliance with the other requirements of the Lease, and an uncured Event of Default by Lessee under the Lease does not exist; and (b) any Competing Lease Transaction entered into at a time when the restriction set forth in the first paragraph of this Section 8 is not applicable (including any lease or lease extension subsequently executed pursuant to an option to lease or option for lease extension executed at a time when the restriction set forth in the first paragraph of this Section 8 is not applicable) shall be exempt from the requirements of this Section 8. In addition, (a) to the extent that County waives the application to Lessee's operations under this Lease of any of the requirements set forth in paragraph (I) or (II) above, such waived requirement shall not be applicable (or no longer applicable) to a Competing Lease Transaction; (b) during any period during which a Director consent under clause (v) of paragraph (I) is in effect with respect to a Competing Lease Transaction, Lessee's obligations under Section 3.1(i)(I) of the Lease shall be modified to be consistent with such Director consent; and (c) during any period during which a Director approval under paragraph (II) above is in effect that results in minimum hours of operation for a Competing Lease Transaction that are less than the minimum hours of operation then required under Section 3.4 of the Lease for Lessee's fuel dock service operation, the minimum hours of operation required under Section 3.4 of the Lease for Lessee's fuel dock service operation shall be changed to such reduced hours.

- 9. <u>Modification to Section 3.1 of the Lease</u>. Section 3.1 of the Lease is hereby amended to add the words "in the Marina del Rey Small Craft Harbor" after the words "boating consumers" in clause (i)(II) of such Section 3.1.
- 10. <u>County's Inducement</u>. In connection with Lessee's exercise of the Option, County hereby confirms its waiver of the condition to exercise of the Option that Lessee shall have satisfied all conditions to the issuance of any building permit required for the construction of the Redevelopment Work. In consideration of County's waiver of the foregoing condition, and in acknowledgment that the principal inducement to County to extend the Term of the Lease pursuant to the Option is the timely performance by Lessee of the Redevelopment Work, if Lessee fails to commence construction of the

Redevelopment Work within one hundred twenty (120) days after the Effective Amendment Date, then in addition to any other right or remedy that County may have in connection with such failure to timely commence construction of the Redevelopment Work, upon written notice by County to Lessee, the Lease shall be automatically amended such that the terms and provisions of the Lease revert back to the terms and provisions of the Lease prior to Lessee's exercise of the Option and prior to the parties' execution of this Amendment (including, without limitation, the expiration of the Term of the Lease on April 30, 2011). The terms and provisions of this Section 10 shall be in addition to and not in limitation of, the terms and provisions of Section 5.6 of the Lease, including without limitation, subsection 5.6.3 thereof. For purposes of clarification, in the event the Lease is amended in accordance with subsection 5.6.3 of the Lease, the terms and provisions of the Lease (as amended under such subsection 5.6.3) shall be the terms and provisions of the Lease existing prior to Lessee's exercise of the Option and prior to the parties' execution of this Amendment (including, without limitation, the expiration of the Term of the Lease on April 30, 2011).

In order to reduce the amount of time that the docks on the Premises are taken out of service. Lessee intends to have the floats fabricated off-site and then installed in the Premises on a pre-fabricated basis. For purposes of the one hundred twenty (120) day construction commencement date requirement set forth in the immediately preceding paragraph, the commencement of the off-site fabrication of the floats shall constitute commencement of construction of the Redevelopment Work if all of the following requirements are satisfied: (a) fabrication shall mean the actual off-site construction of the floats, and not merely the manufacture, supply or acquisition of the individual component parts or materials that are subsequently combined to produce the floats; (b) fabrication must have commenced with respect to at least all of those floats to be installed in the first phase of installation, as approved by Director; (c) fabrication must continue on a diligent, continuous basis until the completion of the last stage of fabrication prior to transport to the Premises; (d) upon the completion of clause (c) the floats must be installed in the Premises on a timely basis in accordance with the phasing schedule approved by Director; and (e) after the off-site float fabrication commences, any other on-site demolition or construction work pertaining to the Redevelopment Work that, based on the phased construction schedule approved by Director, is to be commenced prior to the on-site installation of the pre-fabricated floats, shall be commenced and diligently performed in accordance with such approved construction schedule. At Director's request, Lessee shall establish to Director's reasonable satisfaction Lessee's compliance with the requirements set forth in clauses (a) through (e) above. For purposes of clarification, County acknowledges that the requirement in the second sentence of Section 5.1 of the Lease that Lessee proceed to demolish the Improvements located on the Premises and perform the Redevelopment Work promptly following the Lessee's exercise of the Option is hereby modified to reflect the terms and provisions of this paragraph.

11. <u>Change of Ownership of Lessee</u>. Lessee represents and warrants to County as follows as of the Effective Amendment Date:

- (a) prior to or concurrent with the full execution and delivery of this Amendment, the ownership of Lessee has changed such that (i) immediately prior to such change, the ownership of Lessee consisted of the following two members: The Schem Revocable Family Trust held a 51% membership interest in Lessee and The JMM Schem Irrevocable Trust held a 49% membership interest in Lessee; and (ii) as of the Effective Amendment Date, the ownership of Lessee now consists of the following three members: The Schem Revocable Family Trust now holds a 25.5% membership interest in Lessee, The JMM Schem Irrevocable Trust now holds a 24.5% membership interest in Lessee, and SCM Del Rey Partners, LLC now holds a 50% membership interest in Lessee;
 - (b) the manager of Lessee is Greg Schem;
- (c) SCM Del Rey Partners, LLC is owned by the members listed on Exhibit C attached to this Amendment;
- (d) the manager of SCM Del Rey Partners, LLC is Somera Capital Management, LLC;
- (e) the financials statements and other information disclosed by Lessee to County regarding Lessee's members were true and correct as of the date of such disclosure on June 1, 2009 (or as of the date of such financial statements if dated as of a different date), and there has been no material adverse change to the financial condition of Lessee's members between the date of such disclosure (or the date of such financial statements if dated as of a different date) and the Effective Amendment Date;
- (f) Lessee has delivered to County a true and correct copy of its Amended and Restated Operating Agreement dated as of June 1, 2009, and effective as of the Effective Amendment Date ("Lessee's Operating Agreement"); as of the Effective Amendment Date, Lessee's Operating Agreement is in full force and effect and constitutes a valid and binding agreement enforceable in accordance with its terms;
- (g) The only monetary consideration paid by SCM Del Rey Partners, LLC for its membership interest in Lessee is the obligation of SCM Del Rey Partners, LLC to make certain capital contributions to Lessee in accordance with the terms and provisions of Lessee's Operating Agreement, such capital contributions shall be used to pay for Applicable Costs (as defined in Section 4.8.1 of the Lease), and no portion of such capital contributions shall be distributed to the other members of Lessee except for reimbursements to the other members of Lessee for organizational, formation, due diligence and transaction expenses not to exceed an aggregate of \$25,000; and
- (h) The execution and delivery of this Amendment on behalf of Lessee has been approved by SCM Del Rey Partners, LLC and has been authorized by all

necessary limited liability company (or other corporate, partnership or trust action, as applicable) on the part of all direct or indirect members or owners of beneficial interests in Lessee.

The admission of SCM Del Rey Partners, LLC as a member of Lessee constitutes a Change of Ownership under Section 4.6 of the Lease. Conditioned upon the truth and accuracy of the foregoing representations and warranties, County hereby approves such Change in Ownership and agrees that no Net Proceeds Share shall be payable to County in connection with such Change of Ownership. In accordance with Section 4.6 of the Lease, Lessee shall pay to County the Actual Costs incurred by County in connection with its review and processing of the Change of Ownership described in this Section 11, provided that such costs shall not be duplicative of the costs to be reimbursed to County pursuant to Section 12 of this Amendment.

In acknowledgment of the Change of Ownership described in this Section 11, the following two additional modifications are hereby made to the Lease:

- (i) All references to "Effective Date" in Sections 4.6.2, 4.6.3 and 4.7.1 of the Lease are hereby changed to "Effective Amendment Date"; and
- (ii) The third sentence of Section 4.8 of the Lease is hereby amended in full and replaced with the following: "With respect to each Financing Event, the Net Proceeds Share (if any) shall be equal to twenty percent (20%) of the Net Refinancing Proceeds from such Financing Event; provided, however, that there shall be no Net Proceeds Share payable with respect to the first Financing Event as long as such first Financing Event occurs not later than the third (3rd) anniversary of the CO Date."
- 12. <u>County Costs</u>. Within thirty (30) days after written request from County, Lessee shall reimburse County for the Actual Costs (as defined in the Lease) incurred by County in the review, negotiation, preparation and documentation of this Amendment, to the extent not paid by Lessee prior to the Effective Amendment Date.
- 13. <u>No Other Modifications</u>. This Amendment is intended to supersede and replace the form of First Amendment to Lease attached as Exhibit A to the Option Agreement. Except as expressly set forth in this Amendment, all terms, conditions, and provisions of the Lease remain in full force and effect and are unmodified, and each of the parties reaffirms and acknowledges its respective obligations under the Lease as amended hereby.
- 14. <u>Counterparts</u>. This Amendment may be signed in any number of counterparts. Each counterpart represents an original of this Amendment and all such counterparts shall collectively constitute one fully-executed document.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment as of the date first set forth above.

	COUNTY OF LOS ANGELES
	By: Chairman, Board of Supervisors
	DEL REY FUEL, LLC, a California limited liability company
	By: Gregory F. Schem, its Manager
ATTEST:	
SACHI HAMAI, Executive Officer of the Board of S	Supervisors
By:	-
APPROVED AS TO FORM:	
ROBERT E. KALUNIAN, Acting County Counsel By: Deputy	
APPROVED AS TO FORM:	
MUNGER, TOLLES & OLSON L	L P

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

LEASE PARCEL NO. 1S:

All of Parcels 1, 2 and 3, as shown on Los Angeles County Assessor's Map No. 88, recorded in Book 1, Pages 53 to 70, inclusive, of Assessor's Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and that portion of Parcel 905, as shown on said map, within the following described boundaries:

Beginning at the northeasterly corner of said Parcel 3; thence easterly along the easterly prolongation of the northerly line of said Parcel 3 to a line parallel with and 15.00 feet easterly, measured at right angles, from the easterly line of said Parcel 3; thence southerly along said parallel line, a distance of 280.15 feet to a line parallel with said northerly line; thence westerly along said last mentioned parallel line to said easterly line; thence northerly along said easterly line, a distance of 280.15 feet to the point of beginning.

Together with a right of way for ingress and egress to be used in common with others over those portions of Parcels 5, 8 and 22, as shown on said map, within the following described boundaries:

Beginning at the intersection of the southwesterly line of said Parcel 22 with a line parallel with and 65 feet southeasterly, measured at right angles, from the northwesterly line of said last mentioned parcel; thence North 58° 22′ 54″ East along said parallel line, a distance of 201.83 feet to the beginning of a curve concave southerly, having a radius of 26 feet, tangent to said parallel line and tangent to a line parallel with and 40 feet southerly, measured at right angles, from the northerly line of said Parcel 8; thence easterly along said curve through a central angle of 31° 37′ 06″ and an arc distance of 14.35 feet to said last mentioned parallel line, thence EAST along said last mentioned parallel line, a

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737.7 →

distance of 1347.72 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to sald last mentioned parallel line and tangent to a line parallel with and 101 feet westerly, measured at right angles, from the most westerly line in the westerly boundary of said Parcel 1; thence southeasterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence SOUTH along said last mentioned parallel line, a distance of 182.00 feet to the beginning of a curve concave northeasterly, having a radius of 10 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 256 feet southerly, measured at right angles, from the southerly line of Parcel 6, as shown on said map; thence southeasterly along said last mentioned curve through a central angle of 90° 00'00" and an arc distance of 15.71 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line, a distance of 104.81 feet to the southerly prolongation of the most easterly line in said westerly boundary; thence NORTH along said southerly prolongation and said most easterly line to a line parallel with and 226 feet southerly, measured at right angles, from said southerly line; thence WEST along said last mentioned parallel line to the beginning of a curve concave to the northeast, having a radius of 4 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 71 feet westerly, measured at right angles, from said most westerly line; thence northwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 6.28 feet to said last mentioned parallel line; thence NORTH along said last mentioned parallel line, a distance of 174.00 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 24 feet southerly, measured at right angles, from said southerly line; thence northwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line, a distance of 36.00 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 35 feet westerly, measured at right angles, from said most westerly line; thence southeasterly along said last mentioned curve through a central angel of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence SOUTH along said last mentioned parallel line, a distance of 174.00 feet to the beginning of a curve concave northwesterly, having a radius of 4 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 226 feet southerly, measured at right angles, from said southerly line; thence southwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 6.28 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line to said most easterly line; thence NORTH along said most easterly line to the easterly terminus of that certain course having a bearing and distance of due WEST 13.81 feet in the generally westerly boundary of said Parcel 1: thence WEST along said course, a distance of 13.81 feet to the southerly terminus of said most westerly line; thence NORTH along said most westerly line, a distance of 30.94 feet to a point, said point being the easterly terminus of a curve concave northeasterly and having a radius of 5 feet, tangent at the northerly terminus thereof to a line parallel with and 5 feet westerly, measured at right angles, from said most westerly line; thence northwesterly along said last mentioned

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curve through a central angle of 90° 00' 00" and an arc distance of 7.85 feet to said last mentioned parallel line; thence NORTH along said last mentioned parallel line, a distance of 88.00 feet to a line parallel with and 8 feet southerly, measured at right angles, from said southerly line; thence WEST along said last mentioned parallel line, a distance of 1484.13 feet to a line parallel with and 33 feet southeasterly, measured at right angles, from said northwesterly line; thence South 58° 22′ 54″ West along said last mentioned parallel line, a distance of 218.34 feet to said southwesterly line; thence South 31°45′ 28″ East along said southwesterly line to the point of beginning.

APPROVED AS TO DESCRIPTION

November 15, 2007

COUNTY OF LOS ANGELES

SUPERVISING CADASTRAL ENGINEER III
Mapping and Property Management Division

This real property description has been prepared in conformance with the Professional Land Surveyors Act. The signatory herein is exempt pursuant to Section 8726 of the California Business and Professions Code.

EXHIBIT B

DEVELOPMENT PLAN

31737.7

EXHIBIT C

OWNERSHIP OF SCM DEL REY PARTNERS, LLC

SCM Del Rey Partners, LLC, a California limited liability company ("SCM"), will be owned by Hurricane Hole Investments, LLC, a California limited liability company ("HHC"), with respect to a 90% membership interest in SCM, and approximately five (5) other individuals that in aggregate will own the remaining 10% membership interest in SCM.

Steven Firestone and Julie Lubin are two of the three managing members of HHC. They are also owners and executives of Somera Capital Management, LLC. The other managing member of HHC is Robert Feinberg, who is also a member in HHC and has been a close family friend of Steven Firestone for over 30 years.

HHC is owned by (a) Robert and Tamsen Firestone, Trustees for the Robert and Tamsen Firestone Family Trust, with respect to a 24.4% membership interest in HHC, (b) Daniel Firestone, Trustee for the Dan Firestone Living Trust, with respect to a 14.2% membership interest in HHC, (c) Gil Varon, Trustee for the Gil Varon Revocable Trust with respect to a 14.2% membership interest in HHC, and (d) approximately seventy-two (72) other individuals and trusts, comprised of trusts for family members and close friends, which own the remaining 47.2% membership interest in HHC.



To enrich lives through effective and caring service



June 4, 2009

Santos H. Kreimann

Director

Kerry Silverstrom
Chief Deputy

TO:

Small Craft Harbor Commission

FROM:

Santos H. Kreimann, Director

SUBJECT:

ITEM 6a - ONGOING ACTIVITIES REPORT

BOARD ACTIONS ON ITEMS RELATING TO MARINA DEL REY

At its May 12, 2009 meeting, the Board of Supervisors awarded a one-year contract, with two option periods of two years each, to Hornblower Yachts, Inc. for Marina del Rey WaterBus service between seven points in the Marina for residents and visitors during the summer months. In 2009, the service will run from June 26 through September 7.

At its May 19, 2009 meeting, the Board of Supervisors, acting as the Governing Body of the Los Angeles County Flood Control District, entered into a 20-year agreement with the Mountains Recreation and Conservation Authority for portions of Ballona Creek to be used for recreational purposes. In a separate action at that same meeting, the Board approved allocation of \$1.5 million in Second District Proposition A dollars for three Ballona Creek projects:

- (1) Ballona Creek Trail and Bike Path Phase II Project, consisting of improvements to the entrances of the existing trail and bike path, including upgraded fencing and gates, native plant landscaping and irrigation, educational/interpretive displays, and seating and drinking fountains;
- (2) Ballona Creek Milton Street Park Phase I Project, consisting of the construction of a new 1.2 acre linear park located between Ballona Creek bike path and Milton Street adjacent to the Marina del Rey Middle School, including trails, picnic areas, educational components, watershed improvements, and native landscaping; and,
- (3) Ballona Creek to Parks Connection Loop Phase I Project, consisting of new trails, decorative gates, wayfinding and connection route signage, and artwork at three connection gateways outside of Marina del Rey.

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At its May 26, 2009 meeting, the Board adopted the Marina Sewer Maintenance District Service Charge Annual Report for Fiscal Year (FY) 2009-10 to allow for the continued collection of sewer charges with annual property taxes at the FY 2008-09 levels.

At its June 2, 2009 meeting, the Board authorized and approved amendments to three contracts with TranSystems, Noble Consultants, Inc., and Halcrow, Inc. for harbor engineering consulting services, which will increase the annual aggregate Board-approved contract amounts by \$250,000 per year toward additional services particularly for Marina Accumulative Capital Outlay (ACO) Fund public infrastructure projects, such as refurbishment of the public boat launch facility with new docks and a wider entrance and exit, as well as dock improvements along the Chace Park Peninsula.

Also at its June 2, 2009 meeting, the Board confirmed that a water shortage emergency exists and authorized implementation of the Phased Water Conservation Plan at the Phase II Shortage level, requiring a 15% reduction in water use in Marina del Rey.

REGIONAL PLANNING COMMISSION'S CALENDAR

There are no Marina del Rey matters scheduled for consideration by the Regional Planning Commission.

VENICE PUMPING PLANT DUAL FORCE MAIN PROJECT UPDATE

There is no update with respect to this project. The City of Los Angeles is continuing to review whether the traffic section of the Environmental Impact Report (EIR) for the project will need to be revised. If revisions are considered significant by the City, the EIR will be recirculated.

OXFORD BASIN PROJECT UPDATE

As a part of its continued efforts to reach out to the community with respect to this project, the County's Department of Public Works (DPW) is scheduled to make a presentation to the Marina del Rey Convention and Visitors Bureau on June 4, 2009. Otherwise, DPW continues to work on refinements of the project concept, with the goal of producing renderings of alternatives this month.

REDEVELOPMENT PROJECT STATUS REPORT

The updated Marina del Rey Redevelopment Projects Descriptions and Status of Regulatory/Proprietary Approvals report is attached.

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UNLAWFUL DETAINER ACTIONS

For the month of June, Parcel 28W (Mariner's Bay) reported the filing of one case for failure to pay rent.

DESIGN CONTROL BOARD MINUTES

The minutes from the Design Control Board's April meeting have not been approved.

SLIP RENT ADJUSTMENT FOR PARCEL 47

Slip rent for the Parcel 47 anchorage is due for adjustment on July 1, 2009. The adjustment is based on the formula approved by the Board of Supervisors last year, which adds to the current rent one-third of the increase deferred from last year, plus the weighted average increase that occurred at comparable parcels over the past year, which ranges from 0% for smaller slips to 4.4% for end-tie and special slips.

SHK:ks Attachments

Marina del Rey Redavelopment Projects Descriptions and Status of Regulatory/Proprietary Approvals As of June 3, 2009

Map Parcel No Project Key Name/Lessee	Lessee Name/ Representative	Redevelopment Prapased	Massing and Parking	Status	Regulatory Matters
1 42/43 Marina del Rey Hore!/ Pacifica Hotels	Dale Marquis/ Mike Barnard	* Complete renovation and dock replacement	No changes		
4.	Michael Pashaie/ David Taban	Found 5 new visitor cerving commercial and dry storage buildings 91,090 s. E. visitor serving commercial space 143 slips 1.5 end ins and 224 day storage spincus	Massing - Four new visitoe-serving commercial buildings, maximum 36 tail and one day stack around the state of the state o	- Term sheet under regionation - Initial DCB review during the October 2008 meeting. Hen was continued and is pending a second review	Shared Parking Agreement
		* 145-vesset dry stack storage facility * 10-vesset maw up archage space * 5,200 a.f. Sheriff boatowight facility	Massing - 70 high boar stornge building partially over water and parking with view corridor Parking - All parking required of the project to be located on site, public parking to he replaced on Parcel 36	-	I.C.P. anneardment for rezons site to Boat Storage and to transfer Public Facility use to another parcel.
Cold C		* 123-room lotel - 65,700 graune floot restaurant/ctail space - 30-stip new marine * 28 floot-wide waterfront promenade	Massing Who mixed ras Incelfvisitor-terving commercial/retail structures (eight me 1 or 2-story) massing Mho mixed response floor retail/ restaurmit, puriting structure with view contribor. Parking All putking required of the project to be lecated on site, must include parking for adjacent. Pared of I tesses (Slaughai Read) and replacement parking from Farred 25.	Proprietary – Lease documents approved by BOS December 2005 Regulaecry DCB bearing May 2006, item continued; approved in concept July 2006. Regional Planning application filed May 2007	Shared Parking Agreement Variance for reduced setbacks
5 I Marina del Rey Landing/ Hnthor Real Fatate	Greg Schein	Now heel dock facility with high-speed pumps and automatic payment 3,300 equate-foot dock mart and restrooms *New marins with 10 slips and transfert bertis *Public promenade and public view docks		Proprietary — Lease documents approved by BOS May 2006 Regulatory — DCB conceptual approved May 2007; DCB approved final design with conditions August 2008; Regional Planning Commission approved CDP and CUP on May 14, 2008. CCC approved waterside improvements March 2008.	1 D 2 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
6 7 Tahiti Marina		* Building refurbishment and relocating landside boating facilities * Docks will be reconstructed	Possible slight reduction of parking the in relocation of landside beating facilities. Impact is currently unknown.	impact Proprietary - Term sheet under negotiation Regulatory - To be determined	
		+ Building refacisiument, no new construction • Docks will be reconstructed		Proprietary Term sheet approved by BOS August 2008 Regulatory DCB counting of from July 2008 and approved concept August 2008. Site Plan Review application filed with DRP on 124408.	
8 9 Woodfin Suite futel and Vaention Ownership/ Woodfin Hotels	Jack Illes	* 19-rony, 288-room lovel (192 lated rooms and 136 timeshare sames) * 19-rony, 280-ratel parking structure * New patric commisser docks * 28 foot-wide water front prome nade * Wulaard park		Proprietary Tern Sheet approved by BOS February 2007 Regularary DCB initial hearing May 2006, approved in concept Juna 2006, Regional Planning application filed Novembor 2006, RP Commission lead the inatter on 1972903 and continued the item.	
Legacy [Sean Metachom	Storagaritherists (16.1-slip) unerine 7 cut-d-tes Storak-vide availationit promounde Storak-vide availationit promounde Replacement of public partiting both on and off site	Massing Four 55' tall chartered 4-story residential buildings over parking with view norridor. Parking 102 public purking spaces to be replaced off site.	Preprietary Tean sheet approved by BOS Angust 2004; lease documents approved by BOS August 2008 Regulatory DCB initial healing May 2006, approval in concept June 2006; Regional Planning application filed November 2006; RP Commission heard the matter on 1022908 and continued the item.	LCP amenidinent to allow apartments on Parcel FF, concov Open Space category, and to transfer development potential from other development zones. Parking permit to allow 103 replacement public panking aparces of 51 size.
100/101 Del Rey	1	* 544-uni apartment complex * (O new public parking spaces	Massing Twelve 75' tall 5-acry residential buildings Parking All parking required of the project to be located on site plus 10 public basch parking spaces	Proprietary Lease extension Option approved by BOS December 2006. Regulatory Regional Planning approved June 2006; BOS heard appeal Pebmary 2006, and approved project March 2007. Per court order, EIR redone as to grading; BOS approved EIR 12/16/08; Planchert application filed	
95/LLS Center/		* 72-wii tipartinesi complex • 10,000 square-foot resistantini • 20,400 square-foot commercini space • Gateway parkette on Parcel LLS	Messing One 42' fall retail building, three 60' tall mixed-use residential/retail buildings and parkett Parking All putking required of the project to be located on site	Proprietary — Term Shets approved by BOS October 2007 Regulatory — DCB unital hearing May 2006; item dien on June, July, and September agrands; conceptual approval granted November 2006	
			No changes	Proprietary Term sheet under negotiation Regalatory DCB initial Inshing November 2008; conceptual approval granted January 2009	
OT : 4 Geldric	Jona Goldrick Sherman Cardnor	reinmone facility of relais space blic garking both on and off site blic garking both on Admiralty of from Washington to Admiralty	Massing — One Svitory residential (senior) building over ground-thou retail and parking, 65 tell Parking — All required project parking to be flocated on site; 32 public parking spaces to remain on site, 34 public parking spaces to be replaced off site near Marina Beach		LCP amendment to create Senior Relitement Tacility Land "De Calegory and rezone OT as Senior Relitement Feeling with Mixed Use Overlay Zone, and transfer development potential between Development Zones Parking permit for sonic preferrent feeling and to allow son replecement public capting off site.
33/NR	Ed Czuker/Detek Jones	* 202 apartments * 202 apartments * 22.00 year-enfort restaurant/retail space * 22.00 year-enfort sector * Replacement public parking both on and off site	Massing — Three 5-story mixed use residential/cetall buildings (two 44° tall and one 61° fall) with vive beinged. Performed Performed project parking to be located on site; 69 public parking spaces to be replaced on site.	Proprietary — Lease documents to process and economic terms being regoritated Regulatory — DCB concept approval August 2004, revised project to DCB on August 2008, item December 2008 where it was continued	LCP smentdheers to add Mixed Use Overlay Zoste, rezone NR to Visidor Serving/Counterial, and Variance for increased the light and reduced aethests. Parking pennit to allow some replacement public parking off sale.
	Dale Marquis/ Mike Banıard		Massing4-story, 45' tell, tantel expansion with view corridor Parking All parking required of the project to be located on site	Proprietary Lease documents approved by BOS May 2006 Regulatory DCR conceptual approved October 2005 and final design approved August 2008; Regional Planning application filed December 2005 and Commission approved August 2007. Plancheck application filed	
16 - IR Marriott Residence Inut Pacifica Horels	Dale Marquis/ Mike Barnard	* 147-com hote! * Replacement of public parking both on and off site. * Martina Beach Prometrade	Massing Two hotel buildings above parking, 45° raft, with view corridor. Parking 197 public parking spaces to remain on wiw, 20 or 89 public parking maces to be replaced off alse depending on intersection project	Proprietary Lease abounnents approved by BOS Oar 2006. Regulatory DCB approved in concept February 2006; Regional Planning application in propunation	LCP amendment to erzous site from Parking to Hotel Parking pennit to allow some replacment public parking off site,
Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovie Oslovi Oslovi Oslovi Oslovi Oslovi Oslovi Oslovi Oslovi Oslovi Oslovi Oslov Oslovi Oslovi Oslo	Sperman Cardner	Place 1. * Starting 1. 10 to the control of the co	Messing — One 55 this commercial publicary with yiew contributions in the contribution of the contribution of the project of the project to be located on edg. Incitiding 54 replacement spaces from 0.7 and Perced 29 boater parking	The part of the p	LCP Amendment prymater parking from OT to 2.3 CDP for landside from Regional Planning 制作 形式间隔 (1995) CDP for waterside from Coastal Commission
18 19 Administration Building/ Dept. of Beaches and Harbors (Alternate sites being considered)	N/A	26,306 square-foot County administration building	Massing — One 50' tall building consisting of 2 flooms office apaco over 3 parking levels. Parking — All parking required of the project to be located on site.	Propricting — Lease documents in process with Pincel 20 lesses for parcel reversion Regulatory — DCB agencia May 2006 and Movember 2006, DCB workshop held January 2007	See Item #2 above